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CHILD SUPPORT ENFORCEMENT REPORT CARD

PREPARED BY THE STAFF OF THE HOUSE COMMITTEE ON WAYS AND MEANS

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INTRODUCTION

The Child Support Enforcement program was enacted as part D of title IV of the Social Security Act in 1975 (P.L. 93-647). The States operate their own programs within Federal law and regulations and the Federal government pays for 66 percent of the administrative costs. States are responsible for establishing paternity, locating absent parents, establishing child support orders, and enforcing child support. The Federal role includes monitoring and evaluating State programs, providing technical assistance, and in certain instances helping States in locating absent parents and collecting child support payments.

In 1978, States collected about $1.8 billion (1987 dollars) in child support. During the next eleven years, collections rose at an average annual rate of nearly 10 percent to $5.1 billion (1987 dollars) in 1989. At the same time, the number of paternities established climbed from 111,000 to 333,000; the number of parents located rose from 454,000 to 1,598,000; the number of support obligations established jumped from 315,000 to 918,000; and the program's cost-effectiveness increased from $3.35 to $3.80 in child support collections per dollar of administrative expenses.

Despite the sterling growth figures, there is widespread skepticism about the program's effectiveness. In the spring of 1988, there were about 9.4 million women living with their children, but without the children's fathers. Of these women, only 51 percent or 4.8 million women had child support awards, and only 26 percent or about 2.5 million women received their full child support in 1987. For all women who received child support in 1987, the average child support payment was $2,710 or about $52 per week. Their average income was $14,245, just 157 percent above the poverty level for a non-farm family of three.

After extensive oversight hearings on the child support enforcement program in 1988, the Subcommittee on Human Resources concluded the child support enforcement system had major problems. Although some of these problems were addressed by the Family Support Act of 1988, the Subcommittee decided to issue a report card every two years in order to monitor the program's progress.

The first biennial Child Support Enforcement Report Card was issued on October 11, 1988. It reported grades for the Federal Office of Child Support Enforcement (OCSE) as assigned by the State program directors and grades for the States based on data the States are required by the Social Security Act to submit to the Federal government. In general, the States gave the Federal OCSE a C, which meant they thought its performance was fair. The States were generously graded on a curve, which meant a few States received good to excellent grades even though it was thought they were doing a fair job at best.

This report is the second biennial Child Support Enforcement Report Card. It differs from the first report card in a number of ways. First, some of the data from the first report card were dropped because they were redundant or they did not measure State performance very well. Second, paternity data were revised to reflect standards enacted under the Family Support Act of 1988. Third, States were graded on a tougher, absolute scale in order to reflect more accurately the level of performance that he Subcommittee believes should earn a good grade. Fourth, a section was added to identify which States seem to have improved the most, and which States seem to have regressed.

In general, the results showed the system has improved, but many trouble spots remain. The Federal OCSE earned an average grade of a low C, which was slightly lower than in the first report card. The States praised the new attitude brought in by President Bush's appointees, but an undertow of discontent remains.

Overall, the States averaged a high D. Although many States received A's or B's on specific indicators, no State received an overall grade higher than a C. Nineteen States received overall grades of C, 33 earned D's, and one State failed.

Many States received lower grades than last time because the Subcommittee used a tougher grading scale, but improvement was evident in some States. On the other hand, the Subcommittee is troubled by apparent backsliding in a few States. Texas took the award for the most improved State and New Hampshire regressed the most.

The remainder of the report consists of four parts. Part I presents the grades assigned by the States to the Federal OCSE. Part II discusses the State grades for fiscal year 1989. Part III analyzes the improvement of the States from fiscal years 1987 to 1989. Finally, the Appendix includes the questions asked of the States in assigning grades to the Federal OCSE, and the data used to construct the fiscal year 1989 grades.

PART I

GRADING THE PERFORMANCE OF THE FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT

On July 2, 1990 54 State and territorial child support enforcement programs were asked to grade the Federal Office of Child Support Enforcement (OCSE). The letter enclosed a questionnaire asking for grades on the OCSE performance (See Appendix). A follow-up request was sent on July 20, 1990 making clear that the grades were to apply to performance in fiscal year 1989 and urging States who had not yet responded to return their questionnaires. Forty-seven State programs returned their questionnaires not only with grades, but with thoughtful comments and suggestions for improvement.

The questionnaire asked for grades on nine OCSE activities required by title IV–D of the Social Security Act and two additional questions:

1. Establishing standards for State child support enforcement programs
2. Establishing minimum organizational and staffing requirements for State units
3. Reviewing and approving State plans
4. Conducting audits and evaluating State programs
5. Assisting States in establishing adequate reporting procedures and maintaining records of operation in each State
6. Providing technical assistance to the States to help them establish effective programs
7. Operating the Federal parent locator service
8. Certifying child support obligations for collection by the Internal Revenue Service
9. Reviewing and approving annually updated automated data processing planning documents
10. Overall, how would you grade your regional office?
11. Overall, how would you grade the national office?

The average grade for OCSE was a low C, which was slightly lower than the low C awarded in the first report card. States gave OCSE only one B, which was for certifying child support obligations for collection by the Internal Revenue Service. In the other categories there were 6 C's and 4 D's. Although the eleven grades averaged to a low C, the States gave OCSE an overall grade of D under item 11. Apparently, States implicitly weighted some of the lower grades more heavily than the higher grades when they answered item 11. (See Table 1 for the grades on each item and Appendix Table 1 for frequency distributions of the grades for each item.)

TABLE 1

OCSE Grades Assigned by States

Average Grade = C

	Activity	Grades 1987	Grades 1989
1.	Establishing standards for State child support enforcement programs	C	C
2.	Establishing minimum organizational and staffing requirements for State units	D	D
3.	Reviewing and approving State plans	B	C
4.	Conducting audits and evaluating State programs	C	C
5.	Assisting States in establishing adequate reporting procedures and maintaining records of operations in each State	D	D
6.	Providing technical assistance to States to help them establish effective programs	C	D
7.	Operating the Federal Parent Locator Service	B	C
8.	Certifying child support obligations for collection by the Internal Revenue Service	B	B
9.	Reviewing and approving annually updated automated data processing planning documents	C	C
10.	Overall, how would you grade your regional office?	C	C
11.	Overall, how would you grade the national office?	D	D

1. Establishing Standards for State Child Support Enforcement Programs

Section 452 (a)(1) of the Social Security Act requires the Secretary of Health and Human Services (HHS) to "* * * establish such standards for State programs for locating absent parents, establishing paternity, and obtaining child support and support for the spouse (or former spouse) with whom the absent parent's child is living as he determines to be necessary to assure that such programs will be effective."

The Family Support Act of 1988 (P.L. 100–485) further required the duties in Section 452(a)(1) to "* * * include standards establishing time limits governing the * * * periods within which a State must accept and respond to requests * * * for assistance in establishing and enforcing support orders, including requests to locate absent parents, establish paternity, and initiate proceedings to establish and collect child support awards." This Act further required the Secretary of Health and Human Services to establish an advisory committee on these standards. This committee was to include persons representing State governors, State welfare administrators, and State directors of child support enforcement agencies.

The overall grade for establishing standards for State child support enforcement programs was a low C, the same grade assigned in the first report card. There were no A's, 5 B's, 16 D's, and 6 F's.

As in the report card for fiscal year 1987, States argued standards were arbitrary and unrealistic. They said the regulations regarding prompt State response to requests for child support enforcement assistance and prompt State distribution of collections were ill-conceived and non-responsive to State concerns. To the Federal OCSE's credit, it responded to the concerns about prompt State distribution of collections with a letter to the States saying it would try to ascertain whether these regulations were too burdensome. To date, however, OCSE has reached no conclusions in this matter. (See Appendix for copy of letter.)

States also asserted regulations are not issued by the Federal government on time. States have not received proposed regulations on periodic modification of child support orders or immediate income withholding even though these provisions took effect under the law as of October 13, 1990 and November 1, 1990, respectively. Despite the delay, States assert they are being held accountable for standards that have not been published or even developed as yet.

States said proposed Federal regulations appear to reflect a lack of practical knowledge of child support enforcement on the part of OCSE employees. They assert that this knowledge can be gained only by "hands-on" experience. In response to this problem, States suggested OCSE should establish "line personnel" work groups to aid in the formulation of standards. Presumably these "line personnel" would be from the States, who after all administer the system. Such work groups could serve as an outlet for States which could provide valuable State input to the Federal rule-making process before proposed rules are published.

Some typical State comments follow:

- The only final regulations which have been released in order to implement the requirements of the Family Support Act are for case processing time frames. The States have not even received proposed regulations for periodic modification and immediate withholding. Furthermore, State plans are being disapproved on Family Support Act requirements for which the final regulations have not been released. States are being held accountable to standards that have not been developed or published by the Federal office.
- Standards are adopted without sufficient consultation with the State IV–D agencies. The Federal office is insensitive to local concerns about compliance.
- Standards are process rather than results-oriented. Standards do not measure effectiveness.

- Federal regulations are always so late as to have a disrupting effect on State activities.

2. Establishing Minimum Organization and Staffing Requirements for State Units

Section 452(a) of the Social Security Act says that the Secretary shall "* * * establish minimum organizational and staffing requirements for State units engaged in carrying out * * *" child support enforcement programs. —

Federal regulations (45 CFR 303.20) require States to have the organizational structure to administer certain child support enforcement functions including: (1) intake of cases; (2) establishment of the legal obligation to support; (3) location of absent parents; (4) financial assessment; (5) establishment of the amount of support; (6) collection of the support; (7) enforcement of support payments; and (8) investigation of cases. Also, States must have sufficient numbers of certain types of staff to achieve standards for an effective program, such as attorneys or prosecutors, interviewers, investigators, accountants, and clerical and other support staff.

States gave OCSE a D on this activity, the same grade they assigned in the first report card. Fourteen States gave an F, 18 gave a D, eleven gave a C, and only 2 assigned a B. Much like the grade of D in 1987, many States said that although OCSE has the authority to establish minimum organization and staffing requirements for State units, it has never exercised its power. Moreover, many States believe OCSE should not exercise this power because the State programs vary so much between State and local governments, between executive and judicial branches of State government, and even within State executive agencies such as human services, revenue, and attorney general offices.

Some typical State comments follow:

- There have been no specific standards established.
- Nothing has been done—grade should not be F, but 0.
- I don't believe they have ever developed any standards for minimum organization requirements. They have no idea how much staff is required and they allow some states to operate without adequate staff.
- The Feds have failed to specifically establish these requirements; and likely would be unable to do so, since there would be such a variance from state to state.

3. Reviewing and Approving State Plans

Section 452(a)(3) of the Social Security Act requires the Secretary of HHS to review and approve State plans for child support enforcement programs. Federal regulations (45 CFR 301.13) specify that a "* * * State plan consists of written documents furnished by the State * * *" The Director of OCSE has delegated authority to approve State plans to the Regional Office of OCSE. The authority to disapprove State plans has been retained, however, by the Director of OCSE. The regulations require the Regional Office to determine whether State plans are approved within 90 days from the date it receives the plan.

The overall grade on this item was a high C, which was lower than the B given in the first report card. Only one State gave an F and 5 gave a D, but 17 assigned a B and 6 gave an A. Although the high C is slightly lower than the B OCSE earned for fiscal year 1987, it appears that States believe OCSE is doing a good but uneven job in this area.

The lower grade for fiscal year 1989 is associated with the delay in issuing final regulations on the Family Support Act of 1988. One State said: "Prior to the Family Support Act requirements, I would have given OCSE a higher grade. However, I find it inconceivable that the Federal Office is making judgments on State Plan amendments when they have not released the Final Regulations for these amendments."

Other typical State comments included the following:

- During the current fiscal year, the feds are disapproving state plans based on CFRs (Code of Federal Regulations) that have yet to be finalized. Obviously, future ratings on this dimension will drop further.
- We have received no assistance from the OCSE regarding the preparation of our state plan. The required reviews are not constructive, but arbitrary, capricious and region specific, i.e., what is approved in one region is disapproved in another.
- This process works only with timely promulgation of federal regulations; this seldom occurs. Many states experience State Plan approval, then disapproval, then interim approval and disapproval, resulting in chaos.

4. Conducting Audits and Evaluating State Programs

Section 452(a) of the Social Security Act requires the Secretary of HHS to "* * * evaluate the implementation of State programs * * *, conduct such audits of State programs, * * * to assure conformity with the requirements of this part, and, not less often than once every three years, * * * conduct a complete audit of the programs * * * in each State."

Federal regulations (945 CFR 305) specify the audit and performance standards for State child support enforcement programs. They detail the timing and scope of the audit; the audit period; the opportunity for State comment; State cooperation with the audit; financial participation; organization; establishment of paternity; establishment of support obligations; enforcement of support obligations; payment of support obligations; the State parent locator service; tax refund offsets; wage withholding; support guidelines; and various other specific functions that Federal law requires the States to perform.

In addition, Federal regulations (45 CFR 305.98) set forth specific performance criteria and penalties for noncompliance. The performance criteria are:

(1) *Cost-Effectiveness*—a measure of child support collections relative to how much a State spent to collect the support;

a. Collections for Aid to Families with Dependent Children (AFDC) divided by administrative expenditures (less laboratory costs incurred in determining paternity at State option);

b. Non-AFDC collections divided by administrative expenses (less laboratory costs incurred in determining paternity at State option);

(2) *AFDC Cost Recovery*—a measure of AFDC benefits paid back to the State as a result of child support collections;

AFDC collections divided by AFDC payments (less payments under the AFDC unemployed parent program);

(3) *Child Support Collection Rates*—measures of the amounts of child support collected relative to amounts that were due in the current fiscal year and from past fiscal years;

a. AFDC collections on support due for the fiscal year divided by total AFDC support payments due (accounts receivable) for the same fiscal year;

b. Non-AFDC collections on support due for the fiscal year divided by total Non-AFDC support payments due (accounts receivable) for the same fiscal year;

c. AFDC collections on support due for prior fiscal years divided by total AFDC support payments due (accounts receivable) for the same prior fiscal years;

d. Non-AFDC collections on support due for prior fiscal years divided by total non-AFDC support payments due (accounts receivable) for the same prior fiscal years;

The penalty for failure to have an effective child support enforcement program is a reduced Federal matching grant for the AFDC program of

from one to five percent. If the noncompliance persists, this penalty escalates over a three-year period from one to two percent in the first year, to two to three percent in the second year, and to three to five percent in the third and subsequent years.

The overall grade on audits and evaluating State programs was a C, the same grade as in the first report card. Some 8 States assigned an F and 10 States gave a D, but 13 States gave a B and 3 States gave an A.

States criticized audits for focusing too much on process and not enough on effectiveness. They said that the audits are too detailed and too burdensome on the States. They also charged that the audits are not consistent between States and that small States are penalized while large States escape penalties.

Some typical comments were as follows:

- Audits are too detailed; should focus on end results, not processes along the way.
- New auditing regulations are extremely burdensome on states. Audits are too detailed (135 criteria); should focus on end results, not processes along the way.
- OCSE auditors are knowledgeable in determining State compliance with CFR (Code of Federal Regulations) requirements.
- The audit seems to not be geared to assisting us in improving our program but geared instead to helping the Feds cut their losses and reduce the financial aid to the States. The audit criteria are unreasonable and therefore designed for failure.

5. Assisting States in Establishing Adequate Reporting Procedures and Maintaining Records of Operations in Each State

Federal regulations (45 CFR 302.15) require State plans to provide that State child support enforcement agencies will maintain records for the proper and efficient operation of the program and will report information that the Secretary may need. Prior approval to store and retrieve information on microfilm must be obtained from the regional office.

The overall grade for this item was D, which was the same grade assigned in the last report card. Ten States gave a failing grade while 15 gave a D. Three States assigned a B and only two States gave an A.

State comments indicate this is a major area of confusion. Many States commented that they have received no assistance, and that the State-by-State data are inaccurate. States said that the Federal government should insist on better data from the States.

Some typical comments follow:

- There is no assistance beyond formulating the report form and instructions. Instructions are not very good.
- None of the states report data consistently. OCSE has been inexcusably slow in changing reporting requirements. The data collected is (sic) so inaccurate that reports and comparisons based on the data are at best worthless, at worst dangerous.
- What assistance? Reporting requirements are unreasonable and confusing.
- Major problems with federal definitions. (For example, cost-effectiveness in AFDC and non-AFDC cases is not measured accurately when AFDC and non-AFDC collections are divided by the same denominator, total administrative costs. More accurate measures would divide AFDC collections by AFDC case administrative costs and non-AFDC collections by non-AFDC case administrative costs.)
- Cross state comparison rankings have dubious legitimacy.

These data problems are a major concern to Congress and the Subcommittee on Human Resources. The Social Security Act requires OCSE to submit a "* * * full and complete report on all activities undertaken * * *" by the State child support enforcement programs. It is the responsibility of the Federal OCSE to collect valid and reliable data from the States, and it is

the responsibility of the States to submit valid and reliable data to the Federal OCSE. To the extent that there are problems, the Subcommittee expects the Federal OCSE and the States to solve them. Since the Subcommittee intends to continue using these data to evaluate State programs, it is surely in their interests and that of the Federal OCSE to make sure they reflect program performance accurately.

6. Providing Technical Assistance to the States to Help Them Establish Effective Programs

Section 452(7) of the Social Security Act requires the Secretary of HHS "* * * to help them establish effective systems for collecting child support and spousal support and establishing paternity * * *"

The overall grade on this item was D, which was lower than the C earned in the first report card. Of the grades given by States, 9 were an F, 16 were a D, 8 were a B and one was an A.

As was noted last year, States said OCSE regional offices have not been able to provide much technical assistance because their travel funds have been constrained. However, States have noted that the "climate" has improved in the last 18 months because the Bush Administration appointees have taken a more constructive attitude toward the States than the previous Administration.

Some typical comments are the following:

- Few, if any, OCSE staff have any experience in working for State programs, so their technical expertise is suspect at best.
- Because OCSE is not familiar with actual program operations, the effectiveness of their assistance is limited.
- Technical assistance is almost totally lacking.
- The Regional Offices have no practical knowledge on operating child support programs and, therefore, cannot provide much assistance.

7. Operating the Federal Parent Locator Service

Section 453 of the Social Security Act requires the Secretary of HHS to establish a Federal Parent Locator Service (FPLS). The FPLS is authorized to obtain and transmit to authorized persons information on the location of absent parents for the purpose of enforcing support obligations. The Secretary is required to provide such information upon request of an authorized person for the social security number, most recent address, and place of employment of any absent parent. If the Department of HHS does not have this information, it can obtain it from other Federal agencies under certain conditions.

The overall grade on this item was a high C, which was slightly lower than the B earned in the first report card. Some 21 States gave a B, 4 gave an A, but 10 assigned a D and one gave an F.

States seem generally satisfied with FPLS, but they have commented that the data are often out-of-date. They see improvements coming, such as the use of employment security data authorized under the Family Support Act of 1988.

Some typical comments follow:

- Operates well except that data is (sic) useless due to its age.
- The information is outdated, but improvements are coming.
- The FPLS is a last resort locate mechanism. Except during tax time, information is too dated to be of any great value.

8. Certifying Child Support Obligations for Collection by the Internal Revenue Service

Under certain conditions, States can apply for collections of past-due child support through an offset to the Federal income tax refund of the noncustodial parent. The State can use this service for AFDC families if the past-due support is at least $150. Non-AFDC families can apply to the State

for the tax refund offset if past-due child support is at least $500. The non-AFDC income tax refund offset was scheduled to expire at the end of 1990, but the Omnibus Budget Reconciliation Act of 1990 (P.L. 101-508) made it permanent.

This was the only item on which OCSE received a B, which was the same grade earned in the first report card. Moreover, 17 States gave an A and only 9 States gave a C or less. Generally, States said this was a very effective program. One State said it works without flaws. However, one State also said it has not been effective, stating that it still had cases that were certified for collection in the late 1970s to early 1980s which have not been enforced. Another State said OCSE did a good job, but the Internal Revenue Service (IRS) was "poor."

9. Reviewing and Approving Annually Updated Automated Data Processing Planning Documents

Section 452(d) of the Social Security Act prohibits the Secretary of HHS from approving automated data processing (ADP) planning documents submitted by the States unless they meet the objectives of the management system specified in section 454(16) of the Act. The objectives include controlling and accounting for the various factors related to paternity establishment and support enforcement; coordinating with the determination of eligibility and benefit amounts under the AFDC program; providing secure data; facilitating the development and improvement of an income withholding system; and providing management information on all cases.

The overall grade for this item was a high C, the same grade earned in the first report card. Sixteen States gave a B and three States gave an A, but 8 States each assigned an F or a D.

In the report card for fiscal year 1987, OCSE also received a C, but there were many problems cited by the States. These included allegations of lack of technical knowledge at the central office, slow decision making, and rigid Federal administrators making it hard to qualify for Federal funding under their definition of a statewide system.

This year States said the situation had improved. The regional offices were cooperative, but the OCSE did not respond quickly to problems or requests for help. Allegations of the lack of technical expertise appeared again, as did charges that OCSE is intentionally dragging its feet in certifying automated data processing systems.

Early in 1990, OCSE had certified only 5 State automated systems: New York, Delaware, Connecticut, Idaho, and Vermont. Three more States were to be certified shortly: Colorado, New Jersey, and South Dakota. Eleven States had partially operating systems or systems in pilot testing: Arkansas, Georgia, Hawaii, Illinois, Iowa, Maine, Michigan, Minnesota, New Hampshire, New Mexico, and Wisconsin.

Some typical State comments follow:

- OCSE displays a gross lack of understanding that computer systems should be implemented to meet the needs of the user as well as the total program. What is cost-effective in one location may not be cost-effective in another. Approval by OCSE has been extremely inconsistent and contradictory. They have a difficult time stating issues in specific terms.
- OCSE's response to annual updates and all updates and requests concerning ADP changes has improved drastically. We consider them good in this area.
- Federal officials are slow. Are you kidding? Three months to review a six page document and still no guidance.
- Excellent cooperation, assistance and input.
- There is absolutely no consistency from OCSE in this area. Every person you speak to gives you a different answer, and the rules seem to change daily. Written guidelines are a joke because they are either ignored or interpreted differently as time changes.

10. Overall, how would you grade your regional office?

Regional offices were given a C, which was the same grade given in the first report card. However, 2 States gave an F and eight States gave a D. In contrast, 13 States gave a B and 3 States assigned an A.

One State said that working relationships with its regional office have improved since the Bush Administration took office. Another State said its regional office needed a lesson in teamwork. It seemed to this State that the Federal government is always working against the State, rather than cooperating and assisting them in resolving problems.

Some typical comments follow:

- The regional office is okay, except they are not permitted to visit States or work with States.
- Always responsive and willing to extend themselves when called upon.
- We have little contact with these staff unless it relates to problems referred from legislators, government officials or other OCSE regions.
- Administration (is) very erratic and disruptive to state operations, also office (is) hampered by lack of expert staff—very willing to help, but often can not.

11. Overall, how would you grade the national office?

The overall grade assigned under this item was a D even though all grades averaged to a C. These were the same grades earned in the first report card. Apparently, in their overall grading the States rate the OCSE lower than the simple average of the eleven grades assigned in the survey. No State gave an A on item 11 and only 3 States gave a B. Five States gave an F and 18 gave a D.

Some typical comments follow:

- I do see improvement * * *, but it will take time to correct many of the poor management decisions made by the previous Administration.
- Telephone calls are not returned, the office is not responsive to correspondence and Congressionally imposed deadlines are not met.
- The new regime is extremely refreshing, but they are fighting the reputation of a previous regime which can best be described as dictatorial and oppressive.
- The national office has an adversarial rather than a cooperative attitude. They have an over-inflated opinion of their own technical expertise in the child support field. They do everything possible to get the feds removed from litigation that has joint federal/state implications rather than assist the states in these critical situations.

PART II

GRADING THE PERFORMANCE OF THE STATES IN FISCAL YEAR 1989

To grade the State child support enforcement programs, OCSE provided data on each State program. As required by Section 452(a)(10) of the Social Security Act, States submitted the data to OCSE for the annual report to Congress. The data for this part are for fiscal year 1989, the most recent completed fiscal year available.

The data were grouped into four major areas: paternity establishment; child support collection; cost-effectiveness; and reducing Aid to Families with Dependent Children (AFDC) program costs. These are the same categories used in the report card for fiscal year 1987 with one exception. The indicator for interstate collections in the 1987 report card, the ratio of interstate collections to male immigrants to the State in 1979, was dropped because it was too crude and out-of-date. No better measures of interstate efforts were available.

Each of the areas received a weight of 25 percent in determining a State's overall grade and grade point average. Also, the subcategories in each of the four categories received equal weight.

The indicators were:

1. *Paternity Establishment Rate*—a measure of the percent of cases needing paternity establishment for whom paternity was established

   the ratio of the number of children in the State who were born out of wedlock, are receiving cash benefits or child support enforcement services, and for whom paternity has been established to the number of children who were born out of wedlock and are receiving cash benefits or child support services

2. *Child Support Collection Rates*—measures of the amounts of child support collected relative to amounts that were due in the current fiscal year and from past fiscal years

   a. the ratio of a State's child support collections for AFDC cases to accounts receivable for these cases in fiscal year 1989

   b. the ratio of a State's child support collections for non-AFDC cases to accounts receivable for these cases in fiscal year 1989

   c. the ratio of a State's AFDC case child support collections owed for years before fiscal year 1989 to accounts receivable for these cases for those years

   d. the ratio of a State's non-AFDC child support collections owed for years before fiscal year 1989 to accounts receivable for these cases for those years

3. *Cost-Effectiveness Ratios*—measures of child support collections relative to how much a State spent to collect support

   a. the ratio of a State's AFDC collections plus interstate collections for other States to its total administrative expenditures less laboratory costs

   b. the ratio of a State's non-AFDC collections plus interstate collections for other States to its total administrative expenditures less laboratory costs

4. *Reducing AFDC Costs*—measures of AFDC benefits paid back or AFDC benefit payments avoided as a result of child support payments

   a. the ratio of a State's AFDC collections to its AFDC payments

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b. twenty percent of the State's non-AFDC collections divided by its AFDC payments (Based on research that suggests for every dollar of child support collections for families not on AFDC, about twenty cents is saved in AFDC benefit payments.)

For lack of a better standard, the first report card assigned grades to States on a curve. In reaction, States objected to being compared against each other. Those States who might not be doing well relative to some States said that they received no credit for improving. Moreover, if all States were to improve by an equal rate, some States would continue to receive bad grades because they still would be at the bottom of the curve.

To lessen the problems with grading on a curve, this report uses arbitrary, absolute scales to assign grades on each indicator. This makes clear what it took to get a good grade on a particular indicator, and it establishes goals toward which States can work in the future. In addition, it permits an analysis of improvement by allowing a comparison between performance in 1989 and 1987.

Grades were set for each indicator such that only a few States received an A or B on each indicator. These States have demonstrated the feasibility of reaching a high level of performance on a particular indicator, and it is hoped that other States could reach these levels in the future. The meanings of each grade were: A = excellent; B = good; C = fair; D = poor; and F = failing. If a State did not submit its data for a particular indicator to the Federal government as required under the program, it was assigned an F on that indicator.

A weighted grade point average was calculated using the same system that educators use to grade students overall. The grade values were: F = 0, D = 1, C = 2, B = 3, and A = 4. Then, the States were ranked according to their grade point averages. (See Appendix Table 7 for an illustrative calculation.)

Overall, the States averaged a high D. No State received an A or B as an overall grade, although many States received an A or B on specific indicators. Nineteen States received a C overall, 31 States received a D, and one State failed. Tables 2 and 3 summarize the overall grades, grade point averages, and ranking.

TABLE 2

State Grades in Alphabetical Order

State	Overall Grade	Grade Point Average
ALABAMA	C	2.38
ALASKA	D	1.25
ARIZONA	D	0.75
ARKANSAS	C	1.75
CALIFORNIA	D	0.69
COLORADO	D	0.94
CONNECTICUT	C	2.00
DELAWARE	C	1.50
D.C.	D	0.50
FLORIDA	D	1.13
GEORGIA	D	1.13
HAWAII	D	1.31
IDAHO	C	1.88
ILLINOIS	D	0.69
INDIANA	C	1.75
IOWA	C	2.25
KANSAS	D	0.75
KENTUCKY	D	0.88
LOUISIANA	D	1.25
MAINE	C	2.13
MARYLAND	D	0.63
MASSACHUSETTS	D	1.19
MICHIGAN	C	1.94
MINNESOTA	C	1.56
MISSISSIPPI	D	0.88
MISSOURI	D	1.19
MONTANA	D	1.06
NEBRASKA	D	1.44
NEVADA	D	1.38
NEW HAMPSHIRE	D	1.38
NEW JERSEY	C	1.69
NEW MEXICO	D	0.75
NEW YORK	D	1.19
NORTH CAROLINA	C	1.81
NORTH DAKOTA	C	2.00
OHIO	D	1.38
OKLAHOMA	F	0.38
OREGON	C	1.81
PENNSYLVANIA	C	1.88
RHODE ISLAND	D	1.19
SOUTH CAROLINA	D	1.38
SOUTH DAKOTA	C	1.88
TENNESSEE	D	1.44
TEXAS	C	1.50
UTAH	C	1.88
VERMONT	D	1.38
VIRGINIA	D	1.25
WASHINGTON	D	1.44
WEST VIRGINIA	D	0.81
WISCONSIN	C	1.63
WYOMING	D	1.00

TABLE 3

States Ranked by Grade Point Average

	State	Overall Grade	Grade Point Average
1	ALABAMA	C	2.38
2	IOWA	C	2.25
3	MAINE	C	2.13
4	CONNECTICUT	C	2.00
5	NORTH DAKOTA	C	2.00
6	MICHIGAN	C	1.94
7	SOUTH DAKOTA	C	1.88
8	IDAHO	C	1.88
9	PENNSYLVANIA	C	1.88
10	UTAH	C	1.88
11	NORTH CAROLINA	C	1.81
12	OREGON	C	1.81
13	INDIANA	C	1.75
14	ARKANSAS	C	1.75
15	NEW JERSEY	C	1.69
16	WISCONSIN	C	1.63
17	MINNESOTA	C	1.56
18	DELAWARE	C	1.50
19	TEXAS	C	1.50
20	WASHINGTON	D	1.44
21	TENNESSEE	D	1.44
22	NEBRASKA	D	1.44
23	OHIO	D	1.38
24	NEW HAMPSHIRE	D	1.38
25	VERMONT	D	1.38
26	SOUTH CAROLINA	D	1.38
27	NEVADA	D	1.38
28	HAWAII	D	1.31
29	ALASKA	D	1.25
30	LOUISIANA	D	1.25
31	VIRGINIA	D	1.25
32	MISSOURI	D	1.19
33	NEW YORK	D	1.19
34	RHODE ISLAND	D	1.19
35	MASSACHUSETTS	D	1.19
36	FLORIDA	D	1.13
37	GEORGIA	D	1.13
38	MONTANA	D	1.06
39	WYOMING	D	1.00
40	COLORADO	D	0.94
41	KENTUCKY	D	0.88
42	MISSISSIPPI	D	0.88
43	WEST VIRGINIA	D	0.81
44	KANSAS	D	0.75
45	ARIZONA	D	0.75
46	NEW MEXICO	D	0.75
47	CALIFORNIA	D	0.69
48	ILLINOIS	D	0.69
49	MARYLAND	D	0.63
50	D.C.	D	0.50
51	OKLAHOMA	F	0.38

Alabama was ranked the top State with a grade point average of 2.38, a C. The other nine States in the top 10 in descending order of grade point average were the Iowa, Maine, Connecticut, North Dakota, Michigan, South Dakota, Idaho, Pennsylvania, and Utah. Repeaters in the top ten were last year's number one Michigan, and Iowa, Connecticut, Pennsylvania, and North Dakota.

The only State to fail was Oklahoma. The other nine States at the bottom in ascending order of grade point average were the District of Columbia, Maryland, Illinois, California, New Mexico, Arizona, Kansas, West Virginia, and Mississippi. Repeaters in the bottom ten were New Mexico, West Virginia, the District of Columbia, Oklahoma, and Kansas. (See Table 3.)

The next sections analyze the State grades on each indicator. In each case, a chart shows the number of States at each grade level. Appendix Table 2 gives the grades by State for each indicator. Appendix Tables 3 through 6 show the values of each indicator by State.

1. Paternity Establishment Rate

Establishing paternity can be one of the most difficult and costly child support enforcement activities. Yet, if a State establishes paternity at birth or shortly thereafter, it can have long-run payoffs to the baby, the parents, local government, State government, the Federal government, and society. Benefits include financial support for the child, the joy of supporting and rearing one's own child for the parents, reduced welfare for the child, increased social and private insurance coverage, and increased tax payments and generally a more productive citizen when the child grows up.

The Family Support Act of 1988 made two important changes in the law to promote establishing paternity. First, it committed the Federal government to paying 90 percent of the laboratory costs for paternity establishment to make it even more attractive than the current 66 percent Federal matching payment for other approved child support enforcement activities. Second, it set up paternity establishment standards which the States must meet.

Beginning in fiscal year 1992, all States must meet the paternity establishment rate standards set up in the Family Support Act. The Act defines the paternity establishment rate as the percentage obtained by dividing the number of children in the State who are born out of wedlock, are receiving cash benefits or child support enforcement program services, and for whom paternity has been established by the number of children who are born out of wedlock and receiving child support enforcement program services.

In order to meet Federal standards enacted under the Family Support Act of 1988, the paternity establishment rate in a State must: (1) be at least 50 percent; (2) be at least equal to the average for all States; or (3) have increased by 3 percentage points from fiscal year 1988 to 1991 and by three percentage points thereafter. According to data reported by the Federal Office of Child Support Enforcement (OCSE), the National average paternity establishment rate was only 30 percent. (See Appendix Table 3.)

Grades for paternity establishment were set such that the 50% threshold in current law is satisfactory, but not particularly good. Then, grades were assigned as follows: 0 to 20 percent—F; 20 to 40 percent—D; 40 to 60 percent—C; 60 to 80 percent—B; and 80 percent or above—A.

Only two States achieved an A—Iowa was the pacesetter with paternity established in 81 percent of its cases followed closely by Connecticut at 80 percent. Twelve States pulled up the rear. Six States had paternity establishment rates below 20 percent. They were Arizona, Missouri, New Mexico, Oklahoma, West Virginia, and Wyoming. Another six States did not report their data as required, and they received an F as a result. These States were California, Delaware, Maryland, Minnesota, Ohio, and Pennsylvania. In addition, 18 States received a D and only 12 earned a C. (See Figure 1.)

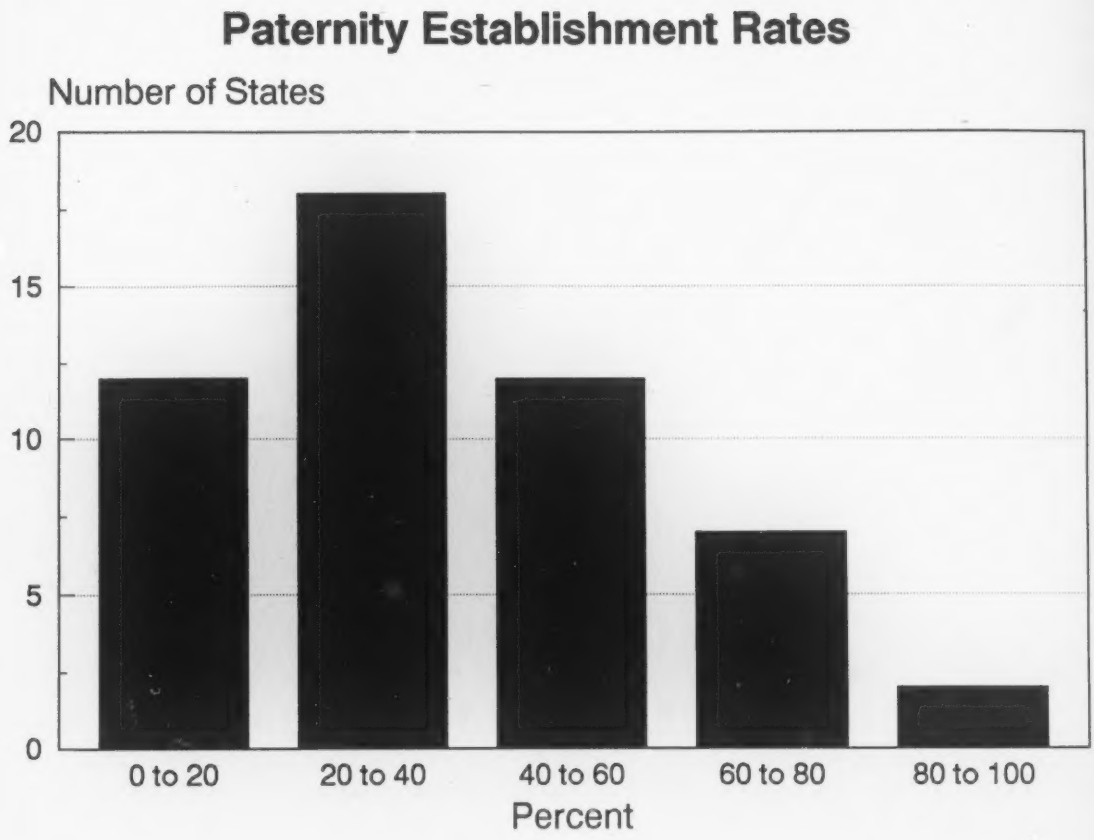

FIGURE 1

2. Child Support Collection Rates

After paternity has been established and child support has been ordered, collecting the support payments is the next step. The Family Support Act of 1988 addressed this area by requiring immediate wage withholding for all newly issued or modified child support enforcement program (IV–D) cases beginning on November 1, 1990. In addition, the Act required immediate wage withholding for all other newly issued child support cases on January 1, 1994. The parents can obtain a waiver if: (1) one of the parents demonstrates, and the court finds, that there is good cause not to require such withholding; or (2) there is a written agreement between both parties providing for an alternative payment arrangement.

The Federal OCSE measures the States' child support collection activities by the percent of "accounts receivable" paid during the year and for previous years' delinquent payments. The indicator is further broken down into whether the cases were AFDC or non-AFDC cases.

A. CURRENT ACCOUNTS RECEIVABLE COLLECTED—AFDC

For the current accounts receivable in AFDC cases during fiscal year 1989, States collected on average only 36 percent of the support owed. This is poor overall performance, especially considering that two States, Delaware and Texas, collected at a rate that was double the average.

Grades for current accounts receivable were assigned as follows: 0 to 20 percent—F; 20 to 40 percent—D; 40 to 60 percent—C; 60 to 80 percent—B; and 80 percent or above—A. No State received an A and only 2 States, Delaware and Texas, received a B. Five States failed because they did not submit their data on time. They were Indiana, Iowa, Maryland, Vermont, and Wisconsin. (See Figure 2.)

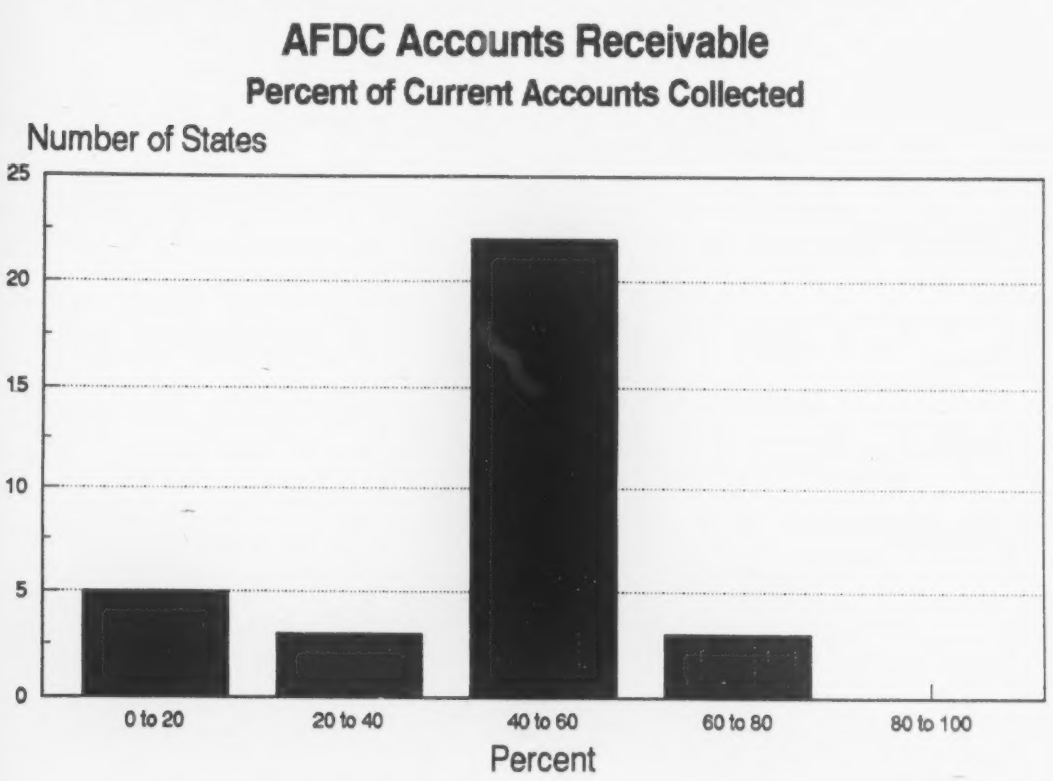

FIGURE 2

B. CURRENT ACCOUNTS RECEIVABLE COLLECTED—NON-AFDC

For the current accounts receivable in non-AFDC cases during fiscal year 1989, States collected an average of only 51 percent of the support owed. This is poor performance overall. Some States performed well, however, such as South Carolina with 91 percent collected or Wyoming with 96 percent collected.

Grades were determined as follows: 0 to 20 percent—F; 20 to 40 percent—D; 40 to 60 percent—C; 60 to 80 percent—B; and 80 percent or above—A. Four States earned an A: Minnesota, South Carolina, Texas, and Wyoming. Five States failed: Indiana, Iowa, Maryland, Massachusetts, and Wisconsin. All but Massachusetts failed because they did not submit their data on time. (See Figure 3.)

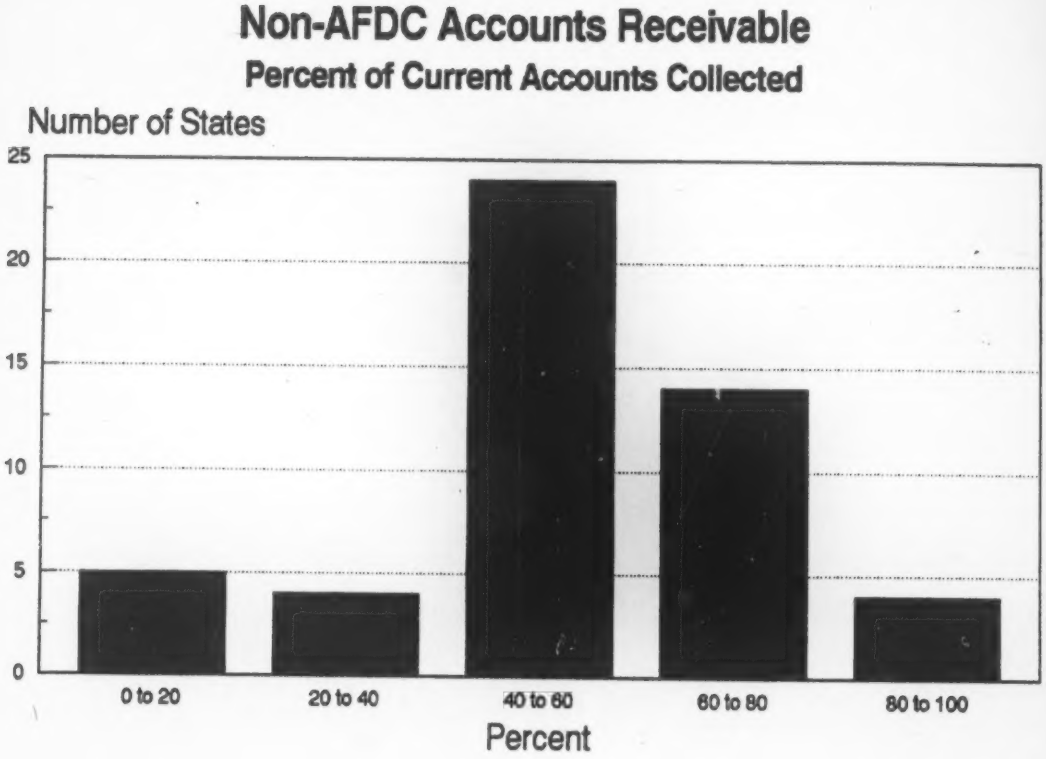

FIGURE 3

C. PRIOR ACCOUNTS RECEIVABLE COLLECTED—AFDC

Prior accounts receivable collected reflect amounts collected in fiscal year 1989 that were delinquent from prior years. In the AFDC cases, the overall average was only 11 percent. The percent collected is much lower than current accounts because the arrearages are generally more than a year old and have proven difficult to collect already. Two States performed at a superior level. Alabama's collection rate was 65 percent and Delaware's collection rate was 74 percent.

Grades were assigned as follows: 0 to 5 percent—F; 5 to 10 percent—D; 10 to 30 percent—C; 30 to 50 percent—B; and 50 to 100 percent—A. Three States earned an A: Alabama, Arizona, and Connecticut. Twenty-two States failed. Six States failed because they did not submit their data on time. Given the high performance of a few States, it would appear that many States might be giving up on the aging cases for which they have not been able to collect current payments. (See Figure 4.)

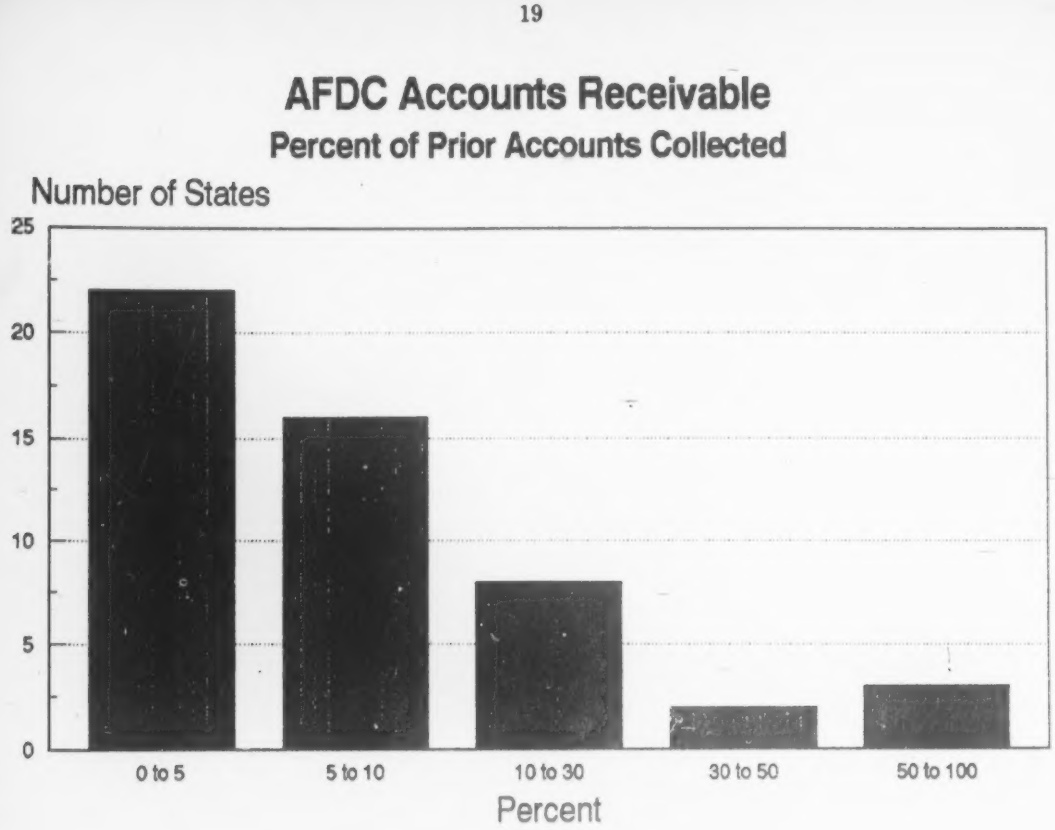

FIGURE 4

D. PRIOR ACCOUNTS RECEIVABLE COLLECTED—NON-AFDC

For prior accounts receivable collected in non-AFDC cases, the overall average collected was only 9 percent. No State received an A. Only two States, Arizona and Pennsylvania, were able to collect enough to earn a B.

Grades were assigned as follows: 0 to 5 percent—F; 5 to 10 percent—D; 10 to 30 percent—C; 30 to 50 percent—B; and 50 to 100 percent—A. Nineteen States failed. Eight failed because they did not submit their data on time. (See Figure 5.)

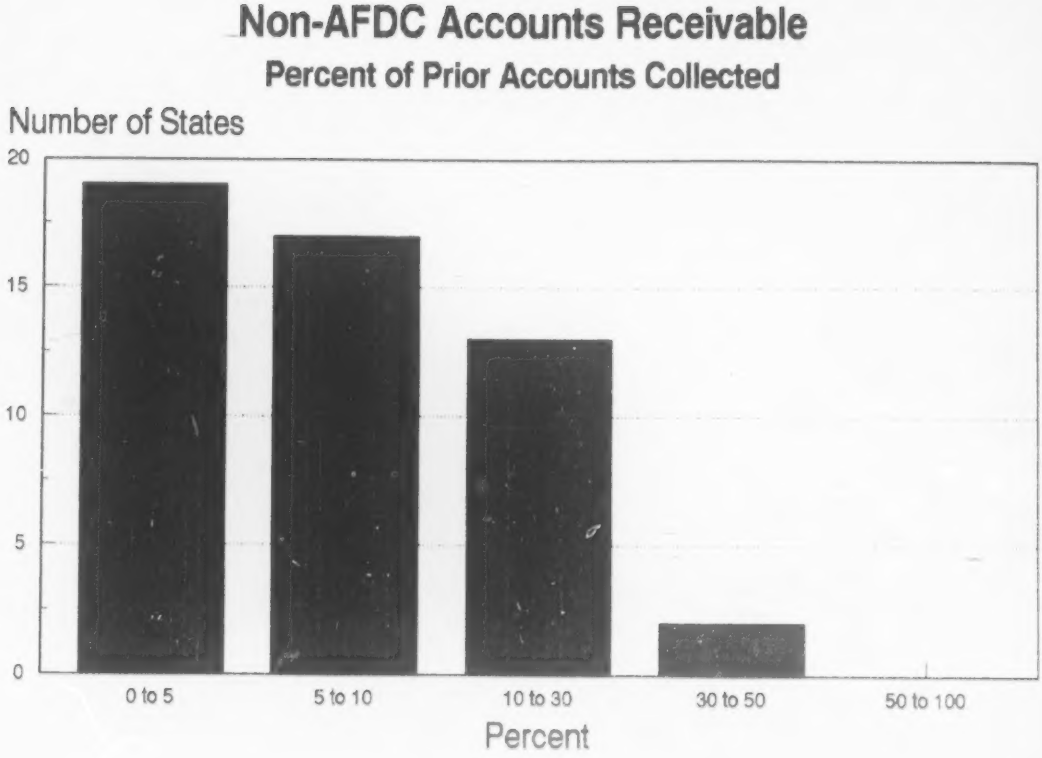

FIGURE 5

3. Cost-Effectiveness Ratios

Cost-effectiveness ratios are used to determine incentive payments to State child support enforcement programs. Under present law, States receive at least 6 percent of their AFDC and non-AFDC collections as an incentive. The incentive payments increase up to 10 percent of AFDC and non-AFDC collections in proportion to the AFDC and non-AFDC cost-effectiveness ratios. However, the non-AFDC incentive payment is capped at 115 percent of the AFDC incentive payment to make sure that States do not ignore AFDC cases in favor of easier non-AFDC cases in order to earn higher incentive payments for non-AFDC collections.

Incentive payment rates as a function of cost-effectiveness ratios are as follows:

RATIO OF AFDC OR NON-AFDC COLLECTIONS TO ADMINISTRATIVE COSTS, AND INCENTIVE AS A PERCENT OF AFDC AND NON-AFDC COLLECTIONS

Ratio of collections to administrative costs	Incentive as a percent of collections
Less than 1.4	6.0
1.4 to 1.6	6.5
1.6 to 1.8	7.0
1.8 to 2.0	7.5
2.0 to 2.2	8.0
2.2 to 2.4	8.5
2.4 to 2.6	9.0
2.6 to 2.8	9.5
2.8 or more	10.0

A. AFDC COST-EFFECTIVENESS RATIOS

The AFDC cost-effectiveness ratio is AFDC collections divided by total administrative costs less laboratory fees. Laboratory fees are excluded so that cost-effectiveness in a given year is not reduced in States who incur such costs for establishing paternity, which yields long-run benefits to the program. The cost-effectiveness ratio represents the AFDC collections per dollar spent on administration of the child support enforcement program in a State. The average AFDC cost-effectiveness ratio was 1.21 for fiscal year 1989.

Grades were assigned as follows: 0 to 0.75—F; 0.75 to 1.00—D; 1.00 to 1.50—C; 1.50 to 2.50—B; and 2.50 or above—A. Two States earned an A. Maine had the highest ratio at 2.63 and was followed by Indiana with a ratio of 2.58. Eight States earned a B. Six State programs failed: Arizona, the District of Columbia, Nebraska, Nevada, New Hampshire, and Virginia. (See Figure 6.)

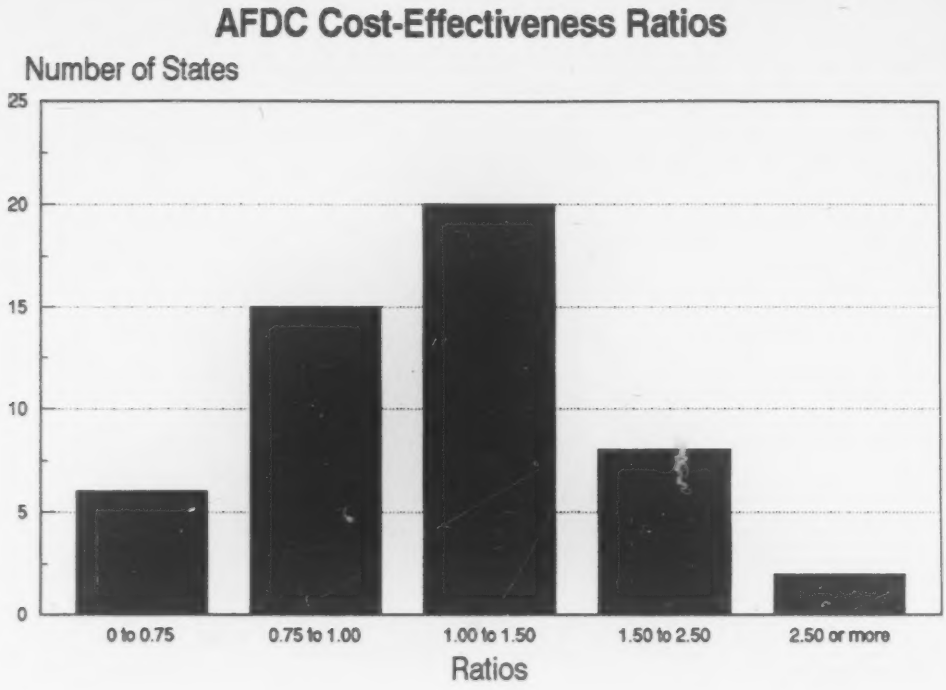

FIGURE 6

B. NON-AFDC COST-EFFECTIVENESS RATIOS

The non-AFDC cost-effectiveness ratio is the non-AFDC collections divided by total administrative costs (less laboratory fees). It represents the non-AFDC collections per dollar spent on administration of the child support enforcement system in a State. The average non-AFDC cost-effectiveness ratio was 2.32. (See Figure 7.)

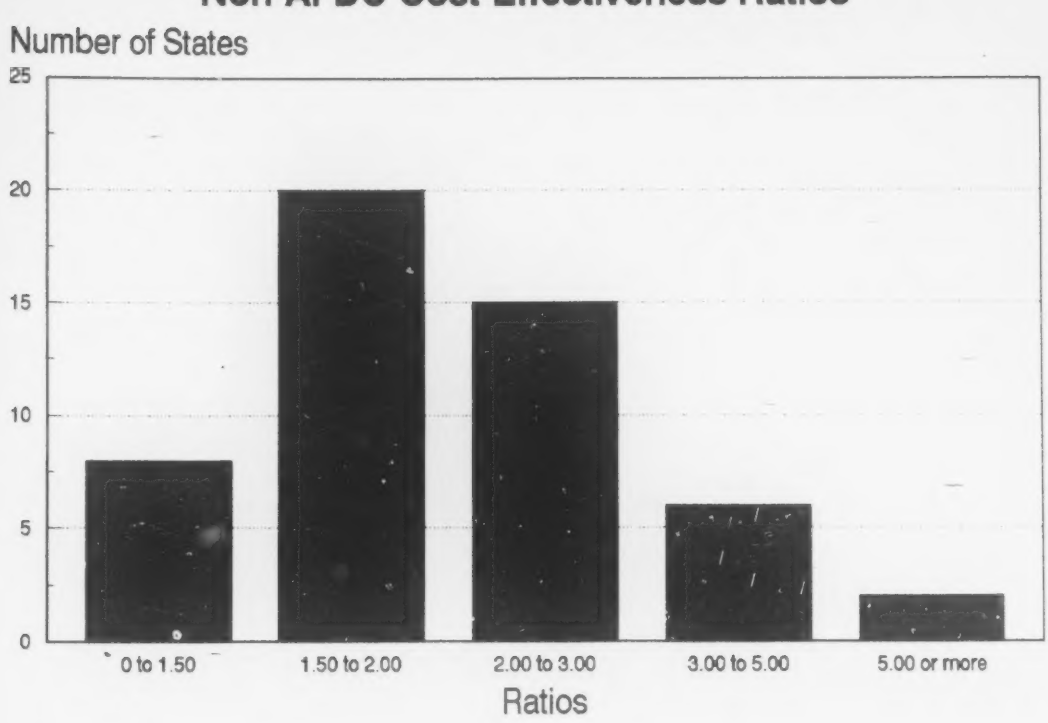

FIGURE 7

Grades were assigned as follows: 0 to 1.5—F; 1.5 to 2.0—D; 2.0 to 3.0—C; 3.0 to 5.0—B; and 5.0 or more—A. Two States earned an A—Michigan with a ratio of 6.64 and Pennsylvania with a ratio of 7.48. Eight States failed: California, Colorado, the District of Columbia, Kansas, Mississippi, New Mexico, Oklahoma, and Vermont.

4. Reducing AFDC Costs

One of the side benefits of an effective child support enforcement system is that it saves money for many States. Under the AFDC program, savings can occur directly and indirectly. A State can recover past AFDC costs directly by collecting arrears or it can reduce or eliminate AFDC payments by collecting current child support. In addition, States can avoid AFDC costs by keeping families off the AFDC program by collecting enough current child support to make them ineligible for AFDC.

A. AFDC COST RECOVERY RATE

The AFDC cost recovery rate is the ratio of recovered AFDC costs divided by AFDC payments (less payments under the AFDC unemployed parent program—AFDC-UP) in a State. The average AFDC cost recovery rate was only 14 percent. (See Figure 8.) This means that on average the program recouped AFDC costs equal to 14 percent of AFDC outlays (less AFDC-Unemployed Parent program outlays) in fiscal year 1989.

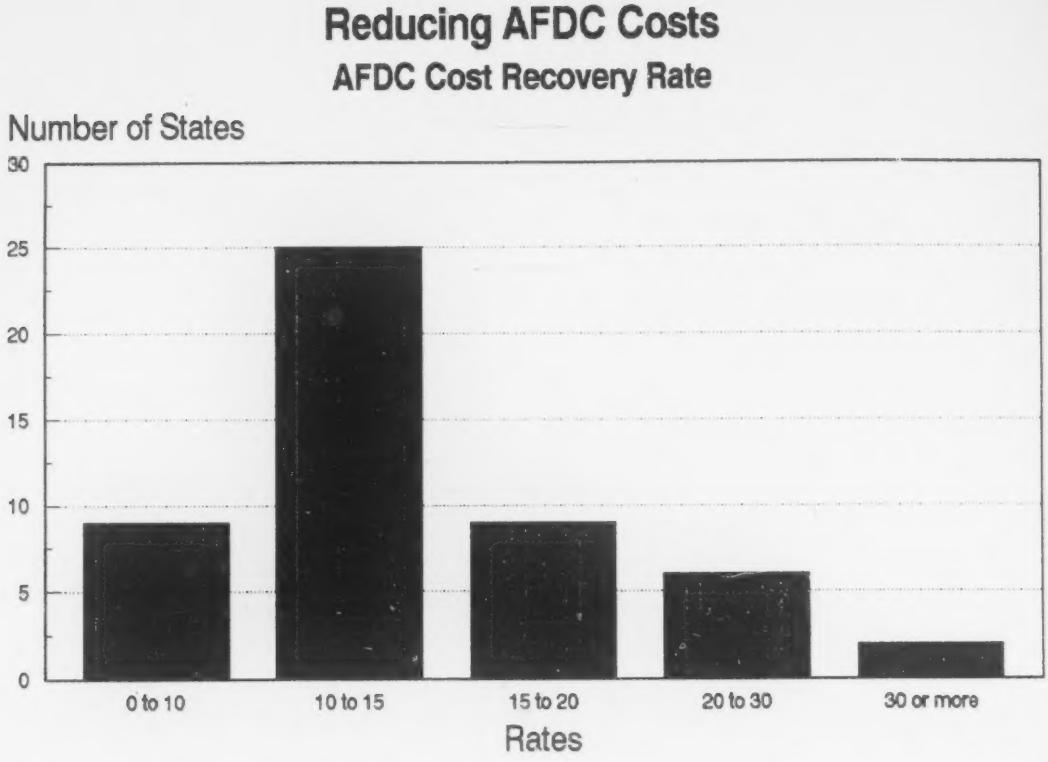

FIGURE 8

Grades were assigned as follows: 0 to 10%—F; 10% to 15%—D; 15%—20%—C; 20% to 30%—B; and 30% or more—A. Two States earned an A. Idaho had the highest rate at 33 percent while Alabama came in second at 31 percent. Ten States failed: Arizona, California, the District of Columbia, Hawaii, Louisiana, Illinois, New York, Oklahoma, Rhode Island, and West Virginia.

B. AFDC COST AVOIDANCE RATE

The AFDC cost avoidance rate is the percent obtained from 20 percent of non-AFDC collections divided by AFDC payments (less payments under the AFDC unemployed parent program—AFDC-UP) in a State. The 20 percent figure is based on research that suggests an amount equal to about 20 percent of Non-AFDC collections would have been paid in AFDC benefits if they had not been collected from the non-custodial parent. The average AFDC cost avoidance rate was 5 percent. (See Figure 9.)

Reducing AFDC Costs

AFDC Cost Avoidance Rates

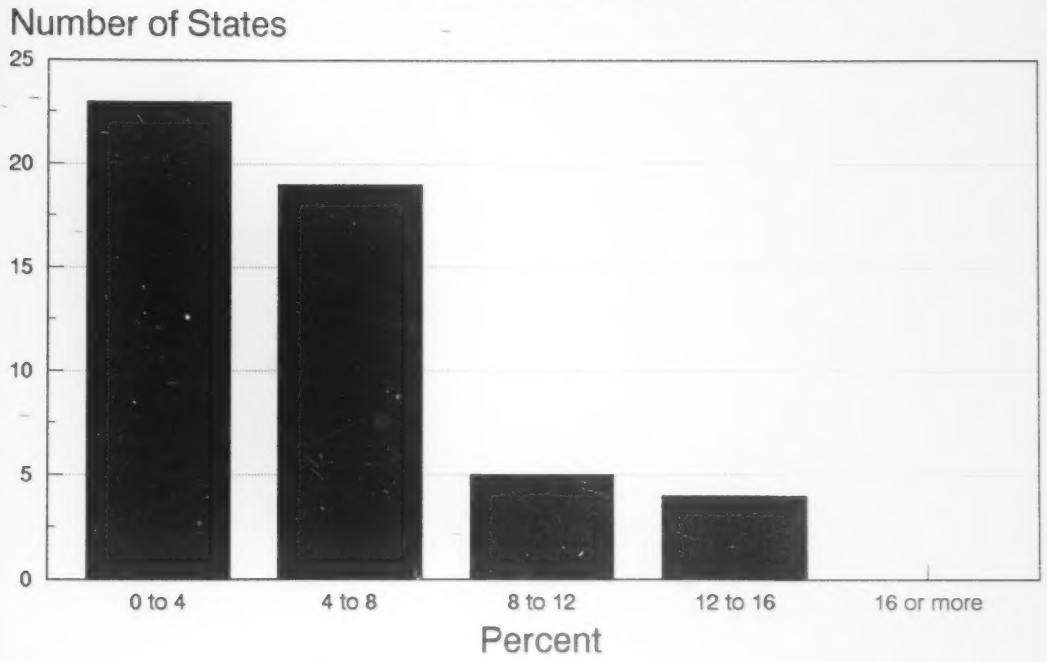

FIGURE 9

Grades were assigned as follows: 0 to 4%—F; 4% to 8%—D; 8% to 12%—C; 12% to 16%—B; and 16% or more—A. No States received an A. Four States received a B: Alabama, Idaho, Nebraska, and Pennsylvania. Twenty-three States failed and 19 received a D.

PART III

RECOGNIZING IMPROVEMENT FROM FISCAL YEAR 1987 TO FISCAL YEAR 1989

One of the weaknesses of grading State child support enforcement programs for a particular year is that it ignores improvement. For example, a State could have received a D in fiscal year 1989, yet it might have improved substantially compared to a failing grade in 1987. Although the grade is still poor, States argue that the State should be recognized for significant improvement. This part addresses this issue by identifying States that have improved significantly over the last two years even though they still might not be up to the level of performance the Subcommittee hopes they will achieve eventually.

The rating used to measure improvement differed from previous grades in a number of ways. First, the absolute grading scale was used for both years so that averages could be compared on the same basis. Second, only those indicators that were used in both years were factored into the calculation. Thus, grades were given for child support collection rates, cost-effectiveness ratios, and rates measuring the reduction in AFDC costs. Each of these three areas was weighted equally, as were the indicators within each area. (See Appendix Table 8 for an illustrative calculation.)

The results of the analysis of improvement are shown in Tables 4 and 5. The calculations show New Mexico and Texas tied for the most improved State programs from 1987 to 1989. However, because much of New Mexico's improvement resulted from an F for not submitting its current accounts receivable data on time for fiscal year 1987, it should be disqualified from recognition. Therefore, the award for the most improved State program goes to Texas.

Texas nearly tripled its collections rates. Collection rates for current AFDC and non-AFDC accounts receivable shot up to 72 and 89 percent in fiscal year 1989 compared to only 26 and 29 percent in 1987. For the prior accounts receivable, there was improvement from only 4 and 5 percent for AFDC and non-AFDC cases to 42 and 10 percent, respectively. In addition, Texas increased its AFDC cost recovery rate by over 50 percent.

Why Texas won the award for most improved State is no surprise. It already has won a similar award from The National Child Support Enforcement Association (NCSEA). The Texas Attorney General, who runs the program in Texas, proposed dramatic improvements in the program in 1988, and the Texas State legislature largely enacted them. The most important of these recommendations was to reinvest all of the revenue earned by the program back into child support enforcement. This action nearly tripled the program's budget from $30 million in 1988 to $85 million for 1991. This allowed the program to double its staff to 1,400 and field offices to 63. If other States followed the Texas example, the system probably would improve substantially.

New Hampshire was at the bottom of the list. It appears to have regressed substantially. Under collection rates for current AFDC and non-AFDC accounts receivable, New Hampshire dropped from 47 and 60 percent in 1987 to only 31 and 40 percent, respectively. Under prior accounts receivable for AFDC and non-AFDC cases, the collection rates dropped from 8 and 11 percent in 1987 to only 4 and 5 percent in 1989. At the same time, cost-effectiveness and the rates measuring reductions in AFDC also dropped.

Why New Hampshire has regressed so much is not clear. It was one of the States selected to implement a model automated interstate child support enforcement system, and it has been struggling for some time to implement its automated data system. Although the Federal government is paying for all of the model automated interstate system, perhaps some staff time and other resources have been diverted to systems development and away from day-to-day child support functions.

States showing substantial improvement after New Mexico and Texas in descending order were South Carolina, Delaware, West Virginia, Montana, and Virginia. In all, twenty-one State programs improved and another seven stayed about the same. At the other end, twenty-three State programs appear to have regressed. The worst of these besides New Hampshire in ascending order were Massachusetts, New Jersey, Illinois, Nevada, Michigan, Rhode Island, and Connecticut.

TABLE 4

Changes in State Performance

State	1989	1987	Change
ALABAMA	2.17	1.92	0.25
ALASKA	1.33	1.58	-0.25
ARIZONA	1.00	1.25	-0.25
ARKANSAS	1.33	1.58	-0.25
CALIFORNIA	0.92	0.92	0.00
COLORADO	0.92	0.75	0.17
CONNECTICUT	1.33	1.75	-0.42
DELAWARE	2.00	1.50	0.50
D.C.	0.33	0.25	0.08
FLORIDA	1.17	0.83	0.33
GEORGIA	1.17	1.17	0.00
HAWAII	1.08	1.00	0.08
IDAHO	2.17	2.25	-0.08
ILLINOIS	0.58	1.08	-0.50
INDIANA	1.67	1.67	0.00
IOWA	1.67	2.00	-0.33
KANSAS	0.67	0.83	-0.17
KENTUCKY	0.83	0.92	-0.08
LOUISIANA	1.33	1.08	0.25
MAINE	1.83	1.58	0.25
MARYLAND	0.83	1.00	-0.17
MASSACHUSETTS	0.92	1.67	-0.75
MICHIGAN	1.92	2.33	-0.42
MINNESOTA	2.08	2.08	0.00
MISSISSIPPI	0.83	1.00	-0.17
MISSOURI	1.58	1.58	0.00
MONTANA	1.08	0.67	0.42
NEBRASKA	1.58	1.33	0.25
NEVADA	1.17	1.67	-0.50
NEW HAMPSHIRE	1.17	2.42	-1.25
NEW JERSEY	1.25	1.83	-0.58
NEW MEXICO	1.00	0.33	0.67
NEW YORK	0.92	0.75	0.17
NORTH CAROLINA	1.75	2.00	-0.25
NORTH DAKOTA	1.67	1.83	-0.17
OHIO	1.83	1.67	0.17
OKLAHOMA	0.50	0.67	-0.17
OREGON	1.75	1.75	0.00
PENNSYLVANIA	2.50	2.33	0.17
RHODE ISLAND	1.25	1.67	-0.42
SOUTH CAROLINA	1.50	1.00	0.50
SOUTH DAKOTA	1.50	1.25	0.25
TENNESSEE	1.58	1.83	-0.25
TEXAS	1.67	1.00	0.67
UTAH	1.50	1.58	-0.08
VERMONT	1.17	1.00	0.17
VIRGINIA	1.33	0.92	0.42
WASHINGTON	1.25	1.00	0.25
WEST VIRGINIA	1.08	0.67	0.42
WISCONSIN	1.50	1.50	0.00
WYOMING	1.33	1.42	-0.08

TABLE 5

States Ranked by Improvement

	State	Change
1	Texas	0.67
2	New Mexico*	0.67
3	SOUTH CAROLINA*	0.50
4	DELAWARE*	0.50
5	WEST VIRGINIA	0.42
6	MONTANA	0.42
7	VIRGINIA	0.42
8	FLORIDA	0.33
9	SOUTH DAKOTA	0.25
10	LOUISIANA	0.25
11	WASHINGTON	0.25
12	ALABAMA	0.25
13	MAINE	0.25
14	NEBRASKA*	0.25
15	OHIO	0.17
16	PENNSYLVANIA	0.17
17	COLORADO	0.17
18	NEW YORK	0.17
19	VERMONT	0.17
20	HAWAII*	0.08
21	D.C.*	0.08
22	MISSOURI	0.00
23	WISCONSIN*	0.00
24	CALIFORNIA	0.00
25	MINNESOTA	0.00
26	GEORGIA	0.00
27	OREGON	0.00
28	INDIANA*	0.00
29	KENTUCKY	-0.08
30	UTAH	-0.08
31	IDAHO	-0.08
32	WYOMING*	-0.08
33	OKLAHOMA	-0.17
34	MISSISSIPPI	-0.17
35	NORTH DAKOTA	-0.17
36	KANSAS*	-0.17
37	MARYLAND*	-0.17
38	TENNESSEE	-0.25
39	NORTH CAROLINA	-0.25
40	ALASKA	-0.25
41	ARKANSAS	-0.25
42	ARIZONA	-0.25
43	IOWA	-0.33
44	CONNECTICUT	-0.42
45	RHODE ISLAND	-0.42
46	MICHIGAN	-0.42
47	NEVADA	-0.50
48	ILLINOIS	-0.50
49	NEW JERSEY	-0.58
50	MASSACHUSETTS	-0.75
51	NEW HAMPSHIRE	-1.25

* Scores might be inflated because State did not submit accounts receivable data in fiscal year 1987.

APPENDIX

HAROLD FORD, TENNESSEE, CHAIRMAN
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RON HASKINS, SUBCOMMITTEE MINORITY

COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

SUBCOMMITTEE ON HUMAN RESOURCES

July 2, 1990

Dear :

We are writing to let you know that the Subcommittee on Human Resources will be issuing its second report card on child support enforcement within the next few months. Our objective is the same as it was for the first report card -- to push for improvement in the child support enforcement system.

As in the first report card, we will assign grades to the Federal Office of Child Support Enforcement (OCSE) and individual States. To assist us in grading the Federal OCSE, the States gave us valuable information in response to our "State Questionnaire on the Effectiveness of the Federal Office of Child Support Enforcement." For the second report card, we ask you to fill out this questionnaire again.

With regard to grading the performance of the States, we have received numerous constructive suggestions from States and the American Public Welfare Association. We plan to incorporate many of these suggestions in this year's report.

Please complete the enclosed questionnaire and return it in the pre-addressed envelope by July 13, 1990. Don't pull any punches, but be fair. We welcome your comments. As always, sources of specific comments will remain anonymous.

If you should need any additional information, please do not hesitate to contact the Subcommittee staff at (202) 225-1076.

Sincerely,

Thomas J. Downey
Acting Chairman

E. Clay Shaw, Jr.
Ranking Minority Member

Enclosure

HAROLD FORD, TENNESSEE, CHAIRMAN
SUBCOMMITTEE ON HUMAN RESOURCES

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STAFF DIRECTOR
DEBORAH G. COLTON, SUBCOMMITTEE STAFF DIRECTOR

PHILLIP D. MOSELEY, MINORITY CHIEF OF STAFF
RON HASKINS, SUBCOMMITTEE MINORITY

July 20, 1990

Dear :

A few weeks ago we sent you the questionnaire for the second report card on the Federal Office of Child Support Enforcement. At that time, we asked you to return the questionnaires by July 13, 1990. Looking back, this deadline seems to have been a bit rushed as we have not received as many responses as we had hoped.

We would like to remind you of the important role your comments play in completing our report and in reaching our objective--improving the child support enforcement system. To be sure we get your comments, we have extended the deadline to Friday, August 3, 1990.

If you have not done so already, please complete the questionnaire with any comments you may have. If you should need any additional information or have lost your copy of the questionnaire, please do not hesitate to contact the Subcommittee staff at (202) 225-1076. Thank you for your cooperation on this project.

Sincerely,

Thomas J. Downey
Acting Chairman

E. Clay Shaw, Jr.
Ranking Minority Member

State Questionnaire on the Effectiveness of the Federal Office of Child Support Enforcement

Directions: The Social Security Act establishes the Federal Office of Child Support Enforcement and identifies the duties that are to be performed by this office. For each of the functions identified below, circle the grade that you would assign for its performance in fiscal year 1989. (A = Excellent, B = Good, C = Fair, D = Poor, F = Failing). If you would like to comment on the reasons you have chosen a particular grade, space is provided for you to do so.

Functions of the Federal Office of Child Support Enforcement

1. Establishing standards for State child support enforcement programs --

F D C B A

Comments:

2. Establishing minimum organizational and staffing requirements for State units --

F D C B A

Comments:

3. Reviewing and approving State plans --

F D C B A

Comments:

4. Conducting audits and evaluating State programs --

F D C B A

Comments:

5. Assisting States in establishing adequate reporting procedures and maintaining records of operations in each State --

F D C B A

Comments:

6. Providing technical assistance to the States to help them establish effective programs --

F D C B A

Comments:

7. Operating the Federal Parent Locator Service --

F D C B A

Comments:

8. Certifying child support obligations for collection by the Internal Revenue Service --

F D C B A

Comments:

9. Reviewing and approving annually updated automatic data processing planning documents --

F D C B A

Comments:

10. Overall, how would you grade your regional office?

F D C B A

Comments:

11. Overall, how would you grade the national office?

F D C B A

Comments:

DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF CHILD SUPPORT ENFORCEMENT
Office of the Director, Suite 600
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

MAY 4 1990

TO ALL STATE IV-D DIRECTORS

Dear Colleague:

On August 4, 1989, we published final regulations establishing case processing standards and distribution timeframes for providing services under the IV-D program. In part, those regulations, effective October 1, 1990, at §302.32(f)(2)(i) establish timeframes for sending $50 pass-through payments to families in AFDC cases. When the IV-D agency sends payments to the family, payments to the family would have to be sent to the family within 15 calendar days of the date of initial receipt in the State of the first $50 of support collected in a month. When the IV-A agency sends payments to the family, the IV-D agency would be required to forward any amount due to the family to the IV-A agency within 15 calendar days of the date of initial receipt in the State of the first $50 of support collected in a month. Under §232.20(d), the IV-A agency would have five additional days to send the payments to the family.

Since publication of this requirement, States have expressed their strong belief, and have presented data gathered through a national survey conducted by the American Public Welfare Association, that the requirement in the final regulation would, certainly for the next several years, place an unreasonable administrative burden on IV-D agencies. States believe there would be no compelling benefit to AFDC families to warrant varying the longstanding practice which ties assistance payments, accounting and distribution of collections in AFDC cases to a monthly cycle. In response to this overwhelming reaction to the requirement in the Program Standards final rule, buttressed by the survey information, we believe the concerns warrant further consideration.

Page 2 - Dear Colleague

Therefore, we intend to consider changes to §§232.20(d) and 302.32(f) as part of the proposed regulations under development to revise audit requirements for consistency with the Family Support Act of 1988 and program standards requirements. In so doing, we intend that any changes found to be necessary will be made before States are audited for compliance with the program standards requirements.

Sincerely,

Allie Page Matthews

Allie Page Matthews
Deputy Director

cc: Regional Representatives
Regions I through X

Appendix Table 1. Frequency Distributions of OCSE Grades (FY89)

Item	Number of States Giving Grade					Overall Grade
	F	D	C	B	A	
1	6	16	20	5	0	C
2	14	18	11	2	0	D
3	1	5	18	17	6	C
4	8	10	13	13	3	C
5	10	15	16	3	2	D
6	9	16	13	8	1	D
7	1	10	11	21	4	C
8	2	4	3	20	17	B
9	8	8	12	16	3	C
10	2	8	21	13	3	C
11	5	18	21	3	0	D

Appendix Table 2 - Child Support Enforcement Grades for FY 89

State	Overall Grade	Paternity Establishment Rate	Accounts Receivable: Current AFDC	Accounts Receivable: Current Non-AFDC	Accounts Receivable: Prior AFDC	Accounts Receivable: Prior Non-AFDC	Cost-Effectiveness Ratios: AFDC	Cost-Effectiveness Ratios: Non-AFDC	Reducing AFDC Costs: Cost Recovery	Reducing AFDC Costs: Cost Avoidance
ALABAMA	C	B	D	B	A	F	D	D	A	B
ALASKA	D	D	D	C	F	D	C	C	D	D
ARIZONA	D	F	D	C	A	B	F	D	F	F
ARKANSAS	C	B	D	D	F	F	B	D	B	F
CALIFORNIA	D	F	C	C	D	C	C	F	F	F
COLORADO	D	D	C	B	C	F	D	F	D	F
CONNECTICUT	C	A	D	B	A	F	C	D	D	F
DELAWARE	C	F	B	C	D	C	D	C	B	C
D.C.	D	D	D	C	F	D	F	F	F	D
FLORIDA	D	D	C	C	D	D	D	D	D	D
GEORGIA	D	D	C	C	D	D	C	D	D	F
HAWAII	D	C	D	B	F	D	C	C	F	F
IDAHO	C	D	D	C	F	D	C	C	A	B
ILLINOIS	D	D	D	C	F	F	D	D	F	F
INDIANA	C	C	F	F	F	F	A	C	B	D
IOWA	C	A	F	F	F	F	B	B	B	D
KANSAS	D	D	D	D	D	D	D	F	D	F
KENTUCKY	D	D	D	D	F	F	D	D	D	F
LOUISIANA	D	D	C	B	D	C	C	D	D	F
MAINE	C	B	C	C	D	D	A	D	B	F
MARYLAND	D	F	F	F	F	F	D	C	D	F
MASSACHUSETTS	D	C	C	F	D	F	C	D	D	F
MICHIGAN	C	C	D	B	F	D	B	A	D	D
MINNESOTA	D	F	B	A	C	C	C	C	C	D
MISSISSIPPI	D	D	D	C	D	F	C	F	D	F
MISSOURI	D	F	D	C	F	F	C	B	C	D
MONTANA	D	D	D	D	F	D	B	D	D	F
NEBRASKA	D	D	C	C	F	D	F	B	D	B
NEVADA	D	C	C	B	F	D	F	D	D	C
NEW HAMPSHIRE	D	C	D	C	D	F	F	C	D	C
NEW JERSEY	C	B	D	C	F	F	D	C	D	C
NEW MEXICO	D	F	C	B	D	C	D	F	D	F
NEW YORK	D	C	C	B	D	D	D	D	F	F
NORTH CAROLINA	C	C	C	B	C	C	C	D	C	D
NORTH DAKOTA	C	B	C	C	C	C	B	D	C	F
OHIO	D	F	C	B	D	C	C	B	D	D
OKLAHOMA	F	F	D	C	D	F	D	F	F	D
OREGON	C	C	D	B	C	C	C	B	D	F
PENNSYLVANIA	C	F	C	B	C	B	C	A	D	B
RHODE ISLAND	D	D	C	C	B	F	B	D	F	F
SOUTH CAROLINA	D	D	C	A	F	F	D	C	C	D
SOUTH DAKOTA	C	B	D	C	F	C	C	C	C	D
TENNESSEE	D	D	D	C	C	C	C	D	D	D
TEXAS	D	D	B	A	B	C	D	D	D	D
UTAH	C	B	F	C	F	C	C	D	B	D
VERMONT	D	C	F	C	F	C	B	F	C	F
VIRGINIA	D	D	C	C	D	D	F	C	D	C
WASHINGTON	D	C	D	C	D	D	C	D	C	F
WEST VIRGINIA	D	F	F	B	C	C	D	C	F	F
WISCONSIN	C	C	F	F	F	F	B	C	C	D
WYOMING	D	F	F	A	F	F	C	C	D	D

Appendix Table 3 - Paternity Establishment Rate (Percents)

State	PATERNITY BASELINE (As of 12/31/88)
ALABAMA	67
ALASKA	27
ARIZONA	16
ARKANSAS	61
CALIFORNIA	0
COLORADO	29
CONNECTICUT	80
DELAWARE	0
D.C.	25
FLORIDA	38
GEORGIA	30
HAWAII	42
IDAHO	35
ILLINOIS	24
INDIANA	51
IOWA	81
KANSAS	36
KENTUCKY	30
LOUISIANA	39
MAINE	61
MARYLAND	0
MASSACHUSETTS	41
MICHIGAN	57
MINNESOTA	0
MISSISSIPPI	28
MISSOURI	15
MONTANA	20
NEBRASKA	25
NEVADA	48
NEW HAMPSHIRE	41
NEW JERSEY	64
NEW MEXICO	17
NEW YORK	46
NORTH CAROLINA	58
NORTH DAKOTA	73
OHIO	0
OKLAHOMA	11
OREGON	42
PENNSYLVANIA	0
RHODE ISLAND	20
SOUTH CAROLINA	34
SOUTH DAKOTA	69
TENNESSEE	30
TEXAS	22
UTAH	67
VERMONT	42
VIRGINIA	31
WASHINGTON	41
WEST VIRGINIA	18
WISCONSIN	59
WYOMING	17
Simple Mean	30

Appendix Table 4 - Accounts Receivable (FY89)

State	Percent of Current Accounts Receivable Collected - AFDC	Percent of Current Accounts Receivable Collected - Non-AFDC	Percent of Prior Accounts Receivable Collected - AFDC	Percent of Prior Accounts Receivable Collected - Non-AFDC
ALABAMA	38	71	65	0
ALASKA	30	54	3	7
ARIZONA	27	57	50	41
ARKANSAS	36	39	3	3
CALIFORNIA	42	52	9	10
COLORADO	48	75	10	4
CONNECTICUT	37	63	74	0
DELAWARE	73	59	9	25
D.C.	39	41	4	7
FLORIDA	53	40	8	5
GEORGIA	42	50	5	8
HAWAII	23	66	1	5
IDAHO	34	46	4	9
ILLINOIS	36	55	4	1
INDIANA	0	0	0	0
IOWA	0	0	0	0
KANSAS	35	29	5	8
KENTUCKY	27	39	4	2
LOUISIANA	58	65	5	17
MAINE	43	50	5	9
MARYLAND	0	0	0	0
MASSACHUSETTS	43	15	7	3
MICHIGAN	28	65	2	5
MINNESOTA	63	81	12	18
MISSISSIPPI	28	42	5	4
MISSOURI	33	54	4	2
MONTANA	26	39	3	6
NEBRASKA	43	56	1	6
NEVADA	47	66	4	5
NEW HAMPSHIRE	31	40	7	1
NEW JERSEY	36	57	3	2
NEW MEXICO	44	70	8	15
NEW YORK	53	60	7	5
NORTH CAROLINA	57	61	12	24
NORTH DAKOTA	48	46	17	12
OHIO	41	63	5	17
OKLAHOMA	25	46	6	3
OREGON	36	60	10	9
PENNSYLVANIA	55	61	15	34
RHODE ISLAND	43	43	43	0
SOUTH CAROLINA	55	91	0	0
SOUTH DAKOTA	24	44	4	5
TENNESSEE	35	41	17	22
TEXAS	72	89	42	10
UTAH	16	52	3	10
VERMONT	0	40	2	24
VIRGINIA	52	56	7	5
WASHINGTON	27	41	7	7
WEST VIRGINIA	18	69	19	25
WISCONSIN	0	0	0	0
WYOMING	11	96	0	2
Simple Mean	36	51	11	9

Appendix Table 5 - Cost Effectiveness Ratios (FY89)

State	AFDC Cost-Effectiveness Ratio	Non-AFDC Cost Effectiveness Ratio
ALABAMA	0.81	1.65
ALASKA	1.21	2.86
ARIZONA	0.34	1.50
ARKANSAS	1.73	1.65
CALIFORNIA	1.29	1.38
COLORADO	0.98	1.23
CONNECTICUT	1.24	1.52
DELAWARE	0.88	2.12
D.C.	0.51	0.82
FLORIDA	0.76	1.82
GEORGIA	1.23	1.83
HAWAII	1.14	2.48
IDAHO	1.27	2.68
ILLINOIS	0.92	1.85
INDIANA	2.58	2.77
IOWA	2.41	3.25
KANSAS	0.79	1.21
KENTUCKY	0.96	1.67
LOUISIANA	1.08	1.76
MAINE	2.63	1.51
MARYLAND	0.88	2.48
MASSACHUSETTS	1.35	1.89
MICHIGAN	1.94	6.64
MINNESOTA	1.27	2.38
MISSISSIPPI	1.07	1.16
MISSOURI	1.35	3.11
MONTANA	2.35	1.86
NEBRASKA	0.65	4.04
NEVADA	0.51	1.71
NEW HAMPSHIRE	0.60	2.58
NEW JERSEY	0.88	2.97
NEW MEXICO	0.82	1.14
NEW YORK	0.99	1.75
NORTH CAROLINA	1.29	1.91
NORTH DAKOTA	1.65	1.66
OHIO	1.09	4.98
OKLAHOMA	0.87	1.41
OREGON	1.11	3.34
PENNSYLVANIA	1.49	7.48
RHODE ISLAND	1.72	1.95
SOUTH CAROLINA	0.93	2.08
SOUTH DAKOTA	1.49	2.50
TENNESSEE	1.21	2.36
TEXAS	0.76	1.65
UTAH	1.24	1.68
VERMONT	1.78	1.15
VIRGINIA	0.72	2.31
WASHINGTON	1.11	1.55
WEST VIRGINIA	0.77	2.18
WISCONSIN	1.68	4.50
WYOMING	1.19	2.31
Simple Mean	1.21	2.32

Appendix Table 6 - Reducing AFDC Costs (FY 89)

State	AFDC Cost Recovery Rate (%)	Non-AFDC Cost Avoidance Rate (%)
ALABAMA	30.9	12.5
ALASKA	11.5	5.9
ARIZONA	3.8	3.3
ARKANSAS	21.0	4.0
CALIFORNIA	5.9	1.1
COLORADO	11.7	2.9
CONNECTICUT	11.9	3.1
DELAWARE	21.1	10.2
D.C.	4.6	1.5
FLORIDA	11.2	5.7
GEORGIA	12.8	3.7
HAWAII	7.3	3.2
IDAHO	33.2	14.0
ILLINOIS	5.3	2.0
INDIANA	23.0	5.0
IOWA	19.2	4.9
KANSAS	13.6	3.8
KENTUCKY	12.1	4.2
LOUISIANA	10.5	3.4
MAINE	27.3	2.8
MARYLAND	12.9	6.0
MASSACHUSETTS	12.6	3.3
MICHIGAN	13.6	7.7
MINNESOTA	15.3	4.6
MISSISSIPPI	13.6	3.0
MISSOURI	15.1	6.4
MONTANA	12.2	1.6
NEBRASKA	13.0	14.7
NEVADA	12.4	8.4
NEW HAMPSHIRE	12.5	10.7
NEW JERSEY	13.9	9.4
NEW MEXICO	9.4	2.7
NEW YORK	6.0	2.0
NORTH CAROLINA	18.9	5.6
NORTH DAKOTA	17.6	3.5
OHIO	9.6	7.8
OKLAHOMA	8.0	2.6
OREGON	12.4	7.4
PENNSYLVANIA	13.2	12.6
RHODE ISLAND	8.9	2.0
SOUTH CAROLINA	15.9	7.0
SOUTH DAKOTA	17.9	6.0
TENNESSEE	13.7	5.5
TEXAS	9.4	4.1
UTAH	23.2	6.0
VERMONT	14.1	1.6
VIRGINIA	13.6	8.7
WASHINGTON	14.8	3.5
WEST VIRGINIA	6.0	2.5
WISCONSIN	15.5	7.1
WYOMING	9.9	4.2
Simple Mean	14	5

APPENDIX TABLE 7

Calcualating A Grade Point Average for Fiscal Year 1989

State X

Item	Grade	Points x Weight = Weighted Points
Paternity Establishment	C	2 x .2500 = .500
Accounts Receivable:		
Current AFDC	C	2 x .0625 = .125
Current Non-AFDC	F	0 x .0625 = 0
Prior AFDC	D	1 x .0625 = .063
Prior Non-AFDC	F	0 x .0625 = 0
Cost-Effectiveness:		
AFDC	B	3 x .1250 = .375
Non-AFDC	D	1 x .1250 = .125
Reducing AFDC:		
AFDC Cost Recovery	A	4 x .1250 = .500
Non-AFDC Cost Avoidance	D	1 x .1250 = .125
Weighted Grade Point Average	C	1.813

Grade Scale

Weighted Grade Point Average	Grade
0 to 0.5	F
0.5 to 1.5	D
1.5 to 2.5	C
2.5 to 3.5	B
3.5 to 4.0	A

APPENDIX TABLE 8

Calculating Improvement Ratings for Fiscal Years 1987 to 1989

State X

Item	Points x Weight = Weighted Points
1987 (Absolute Scale):	
Accounts Receivable:	
Current AFDC	2 x .083 = .167
Current Non-AFDC	1 x .083 = .083
Prior AFDC	2 x .083 = .167
Prior Non-AFDC	0 x .083 = 000
Cost-Effectiveness:	
AFDC	2 x .167 = .334
Non-AFDC	2 x .167 = .334
Reducing AFDC:	
AFDC Cost Recovery	3 x .167 = .500
Non-AFDC Cost Avoidance	0 x .167 = 000
Weighted Average Rating for 1987	1.585
1989 (Abosolute Scale):	
Accounts Receivable:	
Current AFDC	2 x .083 = .166
Current Non-AFDC	1 x .083 = .083
Prior AFDC	2 x .083 = .166
Prior Non-AFDC	1 x .083 = .083
Cost-Effectiveness:	
AFDC	2 x .167 = .334
Non-AFDC	1 x .167 = .167
Reducing AFDC:	
AFDC Cost Recovery	4 x .167 = .668
Non-AFDC Cost Avoidance	1 x .167 = .167
Weighted Average Rating for 1989	1.834
Change (1989 - 1987)	.249

APPENDIX TABLE 9. State Grades for FY 1987 (Based on Curve)

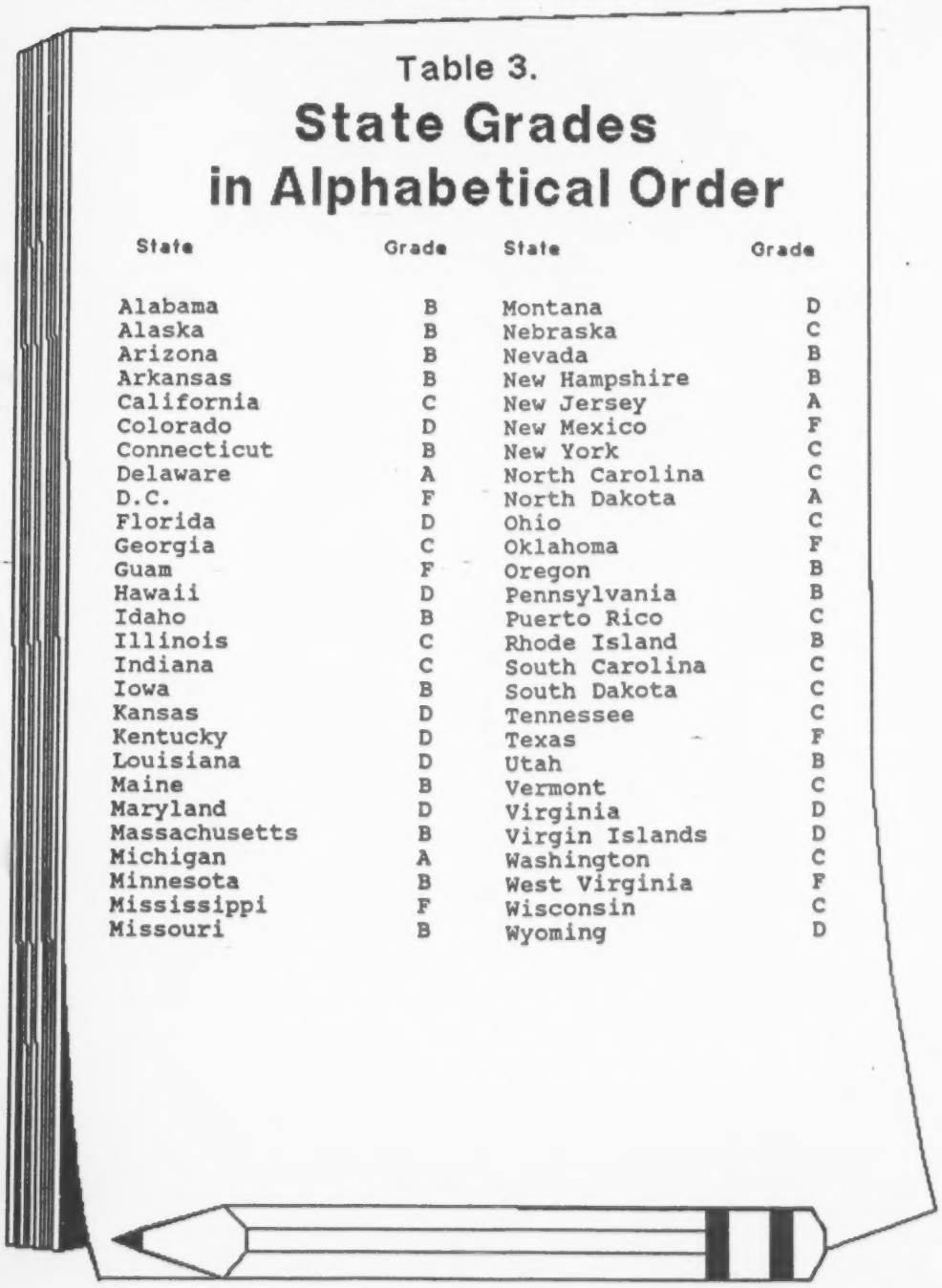

Table 3.

State Grades in Alphabetical Order

State	Grade	State	Grade
Alabama	B	Montana	D
Alaska	B	Nebraska	C
Arizona	B	Nevada	B
Arkansas	B	New Hampshire	B
California	C	New Jersey	A
Colorado	D	New Mexico	F
Connecticut	B	New York	C
Delaware	A	North Carolina	C
D.C.	F	North Dakota	A
Florida	D	Ohio	C
Georgia	C	Oklahoma	F
Guam	F	Oregon	B
Hawaii	D	Pennsylvania	B
Idaho	B	Puerto Rico	C
Illinois	C	Rhode Island	B
Indiana	C	South Carolina	C
Iowa	B	South Dakota	C
Kansas	D	Tennessee	C
Kentucky	D	Texas	F
Louisiana	D	Utah	B
Maine	B	Vermont	C
Maryland	D	Virginia	D
Massachusetts	B	Virgin Islands	D
Michigan	A	Washington	C
Minnesota	B	West Virginia	F
Mississippi	F	Wisconsin	C
Missouri	B	Wyoming	D

Summary of Each State's Performance

Alabama

For Fiscal Year 1989, Alabama ranked first among the 50 States in overall performance. Although it received only a high C overall, Alabama was awarded an A in Prior AFDC Accounts Collected and AFDC Cost Recovery. In addition, it received a B in the categories of Paternity Establishment, Current Non-AFDC Accounts Collected, and AFDC Cost-Avoidance Rate. However, in the remaining categories, Alabama earned only D's and below. In fact, in the category of Prior Non-AFDC Accounts Collected, Alabama earned an F for failure to submit the data requested by OCSE.

Alaska

Alaska ranked 29th overall in the report card, receiving neither A's nor B's in any of the categories. The Cost-Effectiveness divisions were Alaska's strongest areas; it's ratios hovered close to the national averages, and it received strong C's in these categories. In both Paternity Establishment and Reducing AFDC Costs, Alaska earned a solid D. Alaska averaged a D in Accounts Receivable, with it's low grade (an F) in the Prior AFDC Accounts Collected category, and the high grade (a C) for the Current Non-AFDC Accounts Collected.

Arizona

Ranking 45th overall, Arizona earned a D overall grade. It's performance was highlighted by an A and a B in the Prior Accounts Receivable categories. However, the smattering of F's Arizona earned in the areas of Reducing AFDC Costs, Paternity Establishment and Cost-effectiveness heavily outweighed the better grades.

Arkansas

Arkansas was awarded a low C overall grade, allowing it to come in 14th overall among States. It did a particularly good job in the area of Paternity Establishment, earning a B in that category. It also received B's in AFDC Cost-Effectiveness and AFDC Cost Recovery. But, Arkansas failed to be consistent in the broad categories of Cost-Effectiveness and Reducing AFDC Costs. Furthermore, it earned only D's and F's in the Accounts Receivable category, often scoring well below the simple mean for all States.

California

California ranked 47th overall. It received solid F's in the categories of Paternity Establishment and Reducing AFDC Costs. California received a zero for its paternity establishment rate because it did not submit data that the Federal OCSE considered valid and reliable. Both it's Cost Recovery ratio (5.9) and it's Cost Avoidance ratio (1.1) were far below the simple means of 14 and 5, respectively in those categories. California averaged just above the mean in three of the four Accounts Receivable areas, thus earning three C's and a D. Although California received a C for AFDC Cost-Effectiveness, it scored an F in the Non-AFDC area.

Colorado

Colorado earned a D overall. It was ranked 40th. Colorado's best category was Accounts Receivable where it was awarded a B in Current Non-AFDC Accounts Collected and a C in both Current and Prior AFDC Accounts Collected. In all three of the other categories, Paternity Establishment, Cost-Effectiveness, and Reducing AFDC Costs, Colorado received only D's and F's.

Connecticut

Ranking 4th among States, Connecticut received one of two A's awarded in the Paternity Establishment category. It reported an 80% rate of paternity establishment. Connecticut also earned an A in the Prior AFDC Accounts Collected. It collected 74%, well-above the 11% mean for all States. However, in the remaining areas of Accounts Receivable, Connecticut had lower grades, consequently, lowering it's average to a C in this category. Connecticut's grades dropped further in the categories of Cost-Effectiveness and Reducing AFDC Costs, averaging only a strong D.

Delaware

Delaware, ranking 18th among States, received the lowest C grade point average allowable, a 1.50. While Delaware failed to report it's Paternity Establishment data, thus receiving an F in that category, it received ratio's well above the simple means in he Reducing AFDC Costs category. The grades in this category were a B in Cost Recovery and a C in Cost Avoidance. Delaware was below both averages in the Cost-Effectiveness areas, thus it received only a D and low C. In the areas under Accounts Receivable, Delaware's grades varied. It earned a strong B in Current AFDC Accounts Collected, 73%, C's in the Current and Prior Non-AFDC Accounts Collected, and a D in Prior AFDC Accounts Collected.

D.C.

The District of Columbia was ranked second to last among States. It's ratios for Cost-Effectiveness and Reducing AFDC Costs hovered at the bottom of the rankings, as it earned F's in all four of these areas. D.C.'s Paternity Establishment percentage was low also, consequently it received a D in this category. Under the Accounts Receivable category, D.C. seemed to do a slightly better job in collecting current AFDC and Non-AFDC accounts than prior accounts, yet, the grades still average a strong D.

Florida

Florida earned nearly all D's, thus placing it 36th among States. However, the Current Accounts Receivable categories were the highlight of Florida's report; it earned C's in both AFDC and Non-AFDC Accounts Collected. The D's scored in the Cost-Effectiveness and Reducing AFDC Costs categories were low. In the Paternity Establishment and remaining Accounts Receivable areas, Florida was awarded solid D's.

Georgia

Georgia ranked 37th among States and received no grade higher than a C. In the Accounts Receivable areas grades vacillated between C's and D's. However, there is a distinction between Current Accounts and Prior Accounts. In both AFDC and Non-AFDC Current Accounts, Georgia rated well above the mean ratios, while in Prior Accounts, it rated consistently below the simple mean. Again, in the Reducing AFDC Costs category, Georgia's ratios were below the State average. It received a D for Cost Recovery and an F for Cost Avoidance. In the remaining categories of Paternity Establishment and Cost-Effectiveness, Georgia managed to score a D average.

Hawaii

Hawaii's overall grade was a D. Hawaii scored about average in the categories of Paternity Establishment and Cost-Effectiveness receiving straight C's. Except for a high B in the area of Current Non-AFDC Accounts Collected, Hawaii earned low D's and F's in the Accounts Receivable and Reducing AFDC Costs areas. Hawaii's ratio's for Cost Recovery (7.3) and Cost Avoidance (3.2) were just over half the mean ratios, 14 and 5 percent respectively, for all States.

Idaho

Idaho ranked 8th overall. It did particularly well in the Reducing AFDC Costs category. Idaho earned a ratio of 33.2 for Cost Recovery and 14.0 for Cost Avoidance, the highest and second highest scores of all States. In fact, these ratios more than doubled the simple mean ratios. In the Cost-Effectiveness category, Idaho again rated substantially above the mean. It earned strong C's in both areas of this category. Idaho did comparatively worse in the final two categories, Paternity Establishment and Account Receivable. It averaged a D in both of these areas.

Illinois

Despite a solid C in the Current Non-AFDC Accounts Collected and an average D grade in Paternity Establishment, Illinois ranked 48th overall among states. In the Reducing AFDC Costs portion, Illinois' ratios were less than half the mean ratios of 14 for FDC Cost Recovery and 5 for Cost Avoidance, consequently, it earned F's in this category. In addition, Illinois scored poorly in Cost-Effectiveness for both AFDC and Non-AFDC programs. It received D's in both segments.

Indiana

Ranked 13th overall, Indiana's grades run the gamut. It received one of two A's among all States for Cost-Effectiveness in AFDC programs and a strong B in the Cost Recovery segment of Reducing AFDC Costs. However, Indiana's scores dropped significantly for Non-AFDC Cost Effectiveness and Cost Avoidance, as it earned a C and D respectively, in those areas. Indiana also received a C in Paternity Establishment. In the final area, Accounts Receivable, Indiana was awarded straight F's for failure to submit data in a timely fashion.

Iowa

Iowa, ranked 2nd overall, did extremely well in two segments, Paternity Establishment and Cost-Effectiveness. It earned an 81% Paternity Establishment rate, the highest of all States. In addition, Iowa received two of the highest ratios for AFDC and Non-AFDC Cost-Effectiveness. It was awarded B's in both of these areas. Iowa received another B for AFDC Cost Recovery, scoring a ratio of 19.2, well above the mean of 14. Sadly though, Iowa's record was marred by the Accounts Receivable segment. Like, Indiana, it received straight F's for failing to submit it's data on time.

Kansas

Kansas, ranked 44th overall, scored a solid D in all four categories. It received neither A's, B's nor C's. It did earn two F's, one for Non-AFDC Cost Effectiveness and one for Reducing AFDC Costs/Cost Avoidance, but high C's in the other segments of these categories were able to counter-act the F value. Kansas' ratios and percentages were consistently below the mean values for all States.

Kentucky

Kentucky ranked 41st overall. It received seven D's and two F's. It received an overall grade of D. The lowest grades were for the Collection of Prior Accounts. It's percentages in both AFDC and Non-AFDC programs were less than half the mean for all States. These areas received F's. The Collection of Current Accounts segments were somewhat better, but they were still below the simple means of 36% for AFDC Accounts and 51% for Non-AFDC Accounts. In addition, Kentucky was below the mean in all areas of Cost-Effectiveness and Reducing AFDC Costs.

Louisiana

Ranked 30th among states overall, Louisiana earned a D. It's strongest category was Accounts Receivable where it got a B in Collection of Current

Non-AFDC Accounts, C's for Current AFDC Accounts and Prior Non-AFDC Accounts, and a D for Prior AFDC Accounts Collected. These four grades average to a high C. Louisiana received a D in the Paternity Establishment and Cost-Effectiveness for non-AFDC cases. Louisiana's grades dropped in the last category. For Reducing AFDC Costs, it earned a low D for Cost Recovery and an F for Cost Avoidance. Both of these scores were significantly lower than the simple mean in this category.

Maine

Overall, Maine ranked 3rd among all States. It's grades ranged from an A in AFDC Cost-Effectiveness to an F in AFDC Cost Avoidance. Within the four major categories, Maine's scores varied widely. For example, in the Reducing AFDC Costs segment, Maine earned a 27.4 ratio, twice the mean among States, thus scoring a high B. However, the aforementioned score of F for Cost Avoidance in this same category illustrates the inconsistency. Similarly, the Cost-Effectiveness grades were from an A for AFDC cases to a D for non-AFDC cases. Maine's Accounts Receivable category was stronger in collecting current accounts than prior accounts, as it earned a C and a D in those areas, respectively. Finally, Maine was one of seven States to earn a B in Paternity Establishment.

Maryland

Maryland ranked 48th and earned a low D overall grade. The only score in which Maryland exceeded the mean among States was in the category of Non-AFDC Cost-Effectiveness. It earned a 2.48 ratio, slightly above the average 2.32. Maryland scored D's in the Paternity establishment and Reducing AFDC Costs categories, consistently earning scores far below the simple mean. In the last segment, Accounts Receivable, Maryland failed to submit the data on time, therefore, it received straight F's in this area.

Massachusetts

Massachusetts ranked 35th overall among States. It's strong points were clearly Paternity Establishment in which Massachusetts had 41%, 11 percentage points above the mean for all States, and Collection of AFDC Accounts. For Current and Prior AFDC Accounts Collected and AFDC Cost-Effectiveness, Massachusetts scored at about the mean or above. For all other categories, Non-AFDC Accounts Collected, Non-AFDC Cost-Effectiveness and Reducing AFDC Costs, Massachusetts received scores consistently below average or failing.

Michigan

Michigan ranked 6th overall and it's high grades in two areas reflect this position. In Cost-effectiveness Michigan was awarded a strong B for AFDC programs. It did even better in Non-AFDC programs, receiving the second highest A grade in this category. Paternity Establishment was also a strong area for Michigan. It just missed the B cut-off with a score of 57%. In addition, Michigan earned a B for Current Non-AFDC Accounts Collected. However, Michigan scored two D's and an F in the other areas of Accounts Receivable.

Minnesota

Although Minnesota earned a D overall grade point average, it's Account Receivable category scored highly. It received one of four A's awarded among States for Collection of Current Non-AFDC Accounts, a high B for Current AFDC Accounts, and two C's in the Prior Accounts areas. However, these C's still placed Minnesota above the simple mean for all States. Similarly, in the Cost-Effectiveness segment, Minnesota earned two C's, but these C's were again above the mean. Minnesota's only F was in the Paternity Establishment category, which it received because it did not submit valid data on time.

Mississippi

Although Mississippi scored a smattering of F's, it managed to average a D in all four categories. It received only two C's, one for Current Non-AFDC Accounts Collected and one for AFDC Cost-Effectiveness. Yet, even these were below the means for all States. The Reducing AFDC Costs and Paternity Establishment categories scored considerably lower than average as well.

Missouri

Missouri ranked 32nd overall. It's highest grades were earned in the Cost-Effectiveness category. For AFDC programs, Missouri earned a 1.35 ratio compared to the average for all States, 1.21. For Non-AFDC programs Missouri received a B, achieving a 3.11 ratio, well above the mean for all States, 2.32. Although Missouri received C's in the Reducing AFDC Costs category, it's ratios were above the mean for both Cost Recovery and Cost Avoidance. Collecting prior accounts, AFDC and Non-AFDC, seemed to be a problem area for Missouri as it received two F's in this category. It's grades were slightly higher for the collection of current accounts.

Montana

In a sea of D's and F's, Montana received one B for AFDC Cost-Effectiveness. It's ratio, 2.35, was more than double the average for all States. However, that was the only bright spot on Montana's report. In all other categories, Montana earned substantially lower grades than the mean for all States. This is particularly well illustrated in the Prior Accounts Collected areas. It's Prior AFDC Accounts percent was three, the simple mean was 11. For Prior Non-AFDC Accounts, Montana had six percent, while the simple mean among States was nine.

Nebraska

Nebraska ranked 22nd overall among States, with a high D average. Although Nebraska received B's in two separate categories, it's broad performance in those categories was poor. The first B was in Non-AFDC Cost-effectiveness. But Nebraska's ratio for AFDC Cost-Effectiveness was an F, thus showing an inconsistency. Similarly, Nebraska scored a B for AFDC Cost Avoidance, but a low D for Cost Recovery in the Reducing AFDC Costs category. In the Current Accounts Receivable categories, Nebraska's percentages were above the mean for all States. Yet, the converse is true for the Prior Accounts Receivable segments.

Nevada

Nevada's strongest performance area was Paternity Establishment. It had 48%, well over the 30% mean. It's Accounts Receivable category was strong for current collections, but considerably weaker for prior accounts collected. It earned a low B average in the former, but only a low D in the latter category. The final two categories, Cost-Effectiveness and Reducing AFDC Costs scored low as well, with the exception of the AFDC Cost Avoidance category. Nevada received a C here, its ratio of 8.4, was well above the mean ratio of 5.

New Hampshire

New Hampshire ranked 24th among all States. It scored relatively well in Paternity Establishment, receiving a solid C. In addition, New Hampshire earned C's in the areas of Cost avoidance, Non-AFDC Cost-Effectiveness and Current Non-AFDC Accounts Collected. Again, it's ratios were all above the simple mean in each of these areas. New Hampshire received only two F's. It's Prior Non-AFDC Accounts Collected percentage was one-ninth that of the simple mean of all States. The ratio for AFDC Cost-Effectiveness was also far below the mean, .60 for New Hampshire compared to the 1.21 average.

New Jersey

New Jersey ranked 15th overall, with a strong C grade point average. The highlight of New Jersey's performance was the Paternity Establishment category. It scored 64%, more than twice the State average in this area. New Jersey averaged a C in Cost-Effectiveness and a D in Accounts Receivable, with it's current collection percentages substantially higher than it's prior collections.

New Mexico

New Mexico earned one B, two C's, three D's and three F's, placing 46th overall. The Accounts Receivable category was New Mexico's strongest. It's percentages were above the average in all areas except Prior AFDC Accounts Collected, in which it received a D. New Mexico did considerably worse in the Cost-Effectiveness categories, where both ratios, .82 and 1.14, were less than half the simple mean. Even worse, New Mexico received an F for Paternity Establishment with a rate of only 17 percent.

New York

New York ranked 33rd overall. It was strong in Paternity Establishment, earning 46%, far above the 31% mean. It showed strength in the Current Accounts Collected categories of Accounts Receivable, scoring above the mean for all states. However, New York's performance waned in the Prior Accounts Collected areas. It was well below the mean for all States for AFDC and Non-AFDC programs. New York received a D average in Cost-Effectiveness and F average in Reducing AFDC Costs.

North Carolina

Ranking 11th overall, North Carolina did particularly well in two categories and above average in two others. All four percentages of the Accounts Receivable category were above the simple mean for all States, especially in the Current Non-AFDC Accounts Collected segment. North Carolina earned 61%, a B, while the average was only 51%. In the remaining areas of Cost-Effectiveness and Reducing AFDC Costs, North Carolina fell below the mean in only one area, Non-AFDC Cost-effectiveness.

North Dakota

North Dakota ranked 5th overall, with strong grades in three of the four categories. It had 73%, a B, for it's performance in Paternity Establishment. It also received a B for AFDC Cost-Effectiveness, although North Dakota's Non-AFDC Cost Effectiveness was much lower. In the Accounts Receivable category North Dakota earned four C's, scoring above the mean percentages in three out of four areas. North Dakota received it's only F for Cost Avoidance, thus weakening it's overall standing in the Reducing AFDC Costs category.

Ohio

Although Ohio earned two B's and a few high C's, it earned a D overall. Paternity Establishment was it's weakest area, as it scored an F for failing to submit the data. Ohio received it's B's in Current Non-AFDC Accounts Collected and Non-AFDC Cost-effectiveness. It continued to score above the mean in the Current AFDC Accounts Collected and Prior Non-AFDC Accounts Collected areas. Ohio received two D's in the Reducing AFDC Costs categories, Cost Recovery and Cost Avoidance.

Oklahoma

Oklahoma ranked last among all States. It received F's in Paternity Establishment and Reducing AFDC Costs. For Accounts Receivable, Oklahoma scored below the mean for all States in all four segments. It's percentages were particularly low, less than half the mean for the Prior Accounts Col-

lected area. In addition, it's Cost-Effectiveness ratios fell below the mean for AFDC programs and for Non-AFDC programs.

Oregon

Oregon earned no F's and that is reflected in it's high ranking of 12th overall. Oregon's weakest performance was in the Reducing AFDC Costs category in which it received two D's. In all four segments of Accounts Receivable, Oregon's percentages were either equal to or above the mean for all States. It performed particularly well in the Current Non-AFDC Accounts Collected, earning a B in that area. Oregon also received a B in Non-AFDC Cost Effectiveness. Its 3.34 ratio in this category was well above the 2.32 mean for all States.

Pennsylvania

Pennsylvania ranked 9th overall despite an F in Paternity Establishment for failing to submit data that the Federal OCSE regarded as valid and reliable. It received the highest A, a 7.48 ratio, for Non-AFDC Cost-Effectiveness. In addition, Pennsylvania earned B's for it's performance in the Current and Prior Non-AFDC Accounts Collected and Cost Avoidance sections. While it's grades were not as high in Current and Prior AFDC Accounts Collected, Pennsylvania's percentages were still considerably higher than the mean for all States. Pennsylvania's scores fell below the mean in only one category, AFDC Cost Recovery.

Rhode Island

Ranked 34th overall, Rhode Island did not score consistently well in any one category. The highpoint of Rhode Island's performance was a B in Prior AFDC Accounts Collected and a B in AFDC Cost-effectiveness. It also scored above the mean percentage in the Current AFDC Accounts Collected category. In all remaining categories Rhode Island earned ratios or percentages definitively less than the mean for all States.

South Carolina

South Carolina ranked 26th overall. It's strongest showing was in the AFDC Accounts Collected. The Current Accounts was 55%, well above the 36% mean. Even more outstanding was South Carolina's performance in Non-AFDC Accounts Collected. In this category it had 91%, the highest score of all States. However, South Carolina's Prior Accounts Collected areas received two F's for failing to provide the required data. South Carolina was above the mean for all States in the categories of Paternity Establishment and Reducing AFDC Costs, but below the mean for Cost-Effectiveness.

South Dakota

Ranking 7th overall, South Dakota scored above mean scores in three of the four main categories. Paternity Establishment highlighted South Dakota's performance. It earned a B, a score of 69%, in this area. In the categories of Cost-Effectiveness and Reducing AFDC Costs scored slightly above the mean for all States, receiving three C's and a high D. The weakest category for South Dakota proved to be Accounts Receivable. In this category, specifically Prior AFDC Accounts Collected, South Dakota earned it's only F. In addition, it scored consistently below the mean for all States in segments of this category.

Tennessee

Tennessee's grades are remarkable in that they consistently hovered closely to the mean for all States. Ranked 21st overall, it received only C's and D's for this Report Card. It's Paternity Establishment percentage, 30, is the same as the mean for all States. This is also true for the AFDC Cost-Effectiveness ratio. Tennessee's was the same as the mean for all States,

1.21. Tennessee's scores stray largely from the mean in only two areas, Prior AFDC and Prior Non-AFDC Accounts Collected. Both percentages are well above the mean, accounting for the high C's Tennessee earned.

Texas

Ranked 19th overall, Texas received straight D's in three of the four categories. Furthermore, it's scores in all segments of these categories fall below the mean scores for all states. Yet, in the fourth category, Accounts Receivable, Texas scored above average in all areas. In fact, Texas earned an A in the Current Non-AFDC Accounts Collected area, scoring 38 percentage points above the mean. It scored double the mean in both Current and Prior AFDC Accounts Collected. Lastly, Texas received a C in the Prior Non-AFDC Accounts Collected, but it was still higher than the mean.

Utah

Two B's in Utah's report, one for Paternity Establishment and one for AFDC Cost Recovery, contributed heavily to it's overall C grade. The Paternity Establishment percentage, 67, was more than twice the mean. Utah earned a ratio of 23.4 for Cost Recovery compared to the mean ratio of 14. For Cost-Effectiveness, Utah earned a C for AFDC cases and a D for Non-AFDC cases. Utah's performance was especially weakened by Current and Prior AFDC Accounts Collected. It received F's in both of these areas where its percentages were less than half the mean for all States. Although it scored somewhat better for Non-AFDC Collections, Utah still scored only C's in these areas.

Vermont

Ranked 25th among all States, Vermont earned at least one F in each main category with the exception of Paternity Establishment. It's high grade of a B in AFDC Cost-Effectiveness was counter-balanced by an F in Non-AFDC Cost-Effectiveness. Similarly, Vermont scored above the mean ratio for Cost Recovery, but another F in the Cost Avoidance area. Continuing the pattern of gaps within categories, Vermont earned two C's in Non-AFDC Accounts Collected and two F's in AFDC Accounts Collected in the Accounts Receivable category.

Virginia

Ranking 31st overall, Virginia earned exactly the mean percentage, 31%, for Paternity Establishment. Virginia scored well in the Current segments of the Accounts Receivable category. For AFDC Accounts it scored 52% as compared to the mean of 36%. For Non-AFDC Accounts, Virginia scored 56%, five percent higher than the mean. However, Virginia did not do as well with Prior Account Collected, as it earned D's in these areas. In terms of Cost-Effectiveness, Virginia was below average for both AFDC and Non-AFDC programs. In addition, it scored average or below for Reducing AFDC Costs.

Washington

Washington's strongest category was Paternity Establishment, in which it had 41%, 10 percentage points higher than the mean for all States. In all other categories Washington's scores were below the mean. Although it received both C's and D's in Cost-Effectiveness and Accounts Receivable, all C scores were low enough for Washington to earn an overall D average. Washington received it's only F for Cost Avoidance in the Reducing AFDC Costs category.

West Virginia

West Virginia ranked 43rd overall with a D. It earned F's in two categories, Paternity Establishment and Reducing AFDC Costs. West Virginia's Cost Effectiveness ratios were both below the mean for all States. For AFDC

programs it earned a 1.11 ratio compared to the 1.21 mean. The Non-AFDC ratio was 1.55, well below the 2.32 mean. However, West Virginia's Accounts Receivable percentages were high with the exception of the Current AFDC Accounts Collected. West Virginia received a B and two high C's in the Accounts Receivable category.

Wisconsin

Although Wisconsin received straight F's in the Accounts Receivable category for failing to submit the required data on time, it scored well above the mean in all other categories. It had nearly double the mean ratios in the Paternity Establishment and Cost-Effectiveness categories, earning a high C and two B's respectively. In addition, Wisconsin's 15.5 ratio for AFDC Cost Recovery and 7.1 ratio for Cost Avoidance were higher than the means for all States.

Wyoming

Ranked 39th overall, Wyoming's scores were below the mean for all States in all but one category. In fact, Wyoming was extremely consistent except for the A it received in the Current Non-AFDC Accounts Collected category. Wyoming had a 96% compared to the mean of 51%. This was the highest percent of all States. Marring this outstanding grade, Wyoming earned F's in the remaining three areas of the Accounts Receivable section. It also received an F for Paternity Establishment. Scoring somewhat higher, yet still below the mean, Wyoming earned a C average for Cost-Effectiveness and a D average for Reducing AFDC Costs.

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